BUDGET 2000 2001

Budget Highlights

Yukon
Finance

A Budget for People

Across-the-board cut in personal income tax for all Yukon people.

As territorial rate drops from 50 to 44 per cent of federal tax payable by 2002, all Yukon taxpayers will pay 12 per cent less territorial income tax.

$1 million for CAT scan unit at Whitehorse General Hospital.

First increase in Social Assistance rates since 1991, with ongoing funding of $200,000.

$70,000 for Social Assistance recipients to take part-time training at Yukon College.

$150,000 to increase general training allowance.

$50,000 for Health Summit 2000.

Further $150,000 in the Healthy Families Initiative

Increase of $30,000 per year for Food for Learning program in Yukon schools.

$150,000 for Reading Recovery program.

$157,000 for community projects under the Health Investment Fund.

$30,000 more a year for Handi Bus service in Whitehorse.

$300,000 for the Community Addictions Treatment Fund.

$50,000 for a Yukon-wide Social Justice Forum later this year.

Low Income Family Tax (LIFT) Credit and Yukon Child Benefit will continue.

$125,000 annual increase to legal aid service

Increase of $50,000 a year for Victoria Faulkner Women's Centre advocacy work.

Over $5 million a year to support child care.

$1 million towards replacement of Whitehorse Correctional Centre.

The Budget in Brief

The 2000/01 budget meets a balance of community needs by spending responsibly to stimulate economic growth and reinforce the social and environmental priorities of Yukon people.

Total expenditures, with $5.9 million contingency reserve – $508.7 million

Total net capital spending – $57.9 million

Total O & M spending – $398.7 million

Total revenue – $481.1 million

Operating deficit for the year - $27.6 million

Estimated accumulated surplus at March 31, 2001, before lapses – $13.7 million.

Long-range projections allow for drawing on our savings to meet short-term needs.

A Budget for Economic Growth

- Yukon Research and Development Tax Credit of 15 per cent.
- Rate for Fireweed Fund set at 25 per cent - labour-sponsored venture capital could attract large pool of capital to Yukon economy.
- Microloan Program to help people who can't get conventional credit develop their small business ideas.
- Small Business and Mineral Exploration tax credits continue this year.
- $2.9 million in 2000-2001 as part of *Connect Yukon* telecommunications project.
- $275,000 ongoing support for Technology Innovation Centre.
- $100,000 for technical analysis related to proposed Alaska Highway pipeline
- Student Trade Ambassador program to help Yukon businesses pursue opportunities abroad.
- $50,000 to explore business potential of attracting overseas students to combine ESL study with wilderness tourism.
- Further $750,000 each in Trade and Investment Fund and Tourism Marketing Fund.
- $30,000 more a year to enhance TIAY's work for the tourism industry.

- Over $6 million in tourism marketing this year.
- Ongoing $175,000 for Film Incentive Program, plus one-time $383,000 for specialized equipment.
- $40,000 to develop a Yukon location guide to attract film productions.

A Budget for the Environment

- Tombstone Territorial Park and Fishing Branch Protected Area boundaries designated.

  Management plans will be developed over the next year, with opportunities for public input.
- Yukon Protected Areas Strategy – $260,000 for resource assessments, and $260,000 for park system planning.
- $100,000 help recycling organizations implement a Yukon-wide recycling program
- $75,000 more in the Climate XChange program.
- $200,000 to the municipality of Haines Junction for a one-year pilot project in solid waste.
- $300,000 this year for sewage facilities in Carcross.
- $100,000 this year for sewage lagoon in Burwash Landing.
- $150,000 to combat riverbank erosion on the Porcupine River in Old Crow

BUDGET 2000 2001

A Budget for Jobs

- $7.9 million to begin building 96-bed continuing care facility this season.
- $5.5 million for community school in Mayo.
- $2 million for community school in Ross River.
- $1.5 million as Yukon share of two-year, $2.3-million project to improve water pressure to the Whitehorse Airport area.
- $475,000 towards a new building for l'Association franco-yukonnaise.
- $350,000 to complete the Mayo Road fire hall.
- $25 million this year on the Shakwak Highway.
- $2.3 million for Hamilton Boulevard improvements and sewer main construction.
- $1 million for Campbell Highway.
- $750,000 this year for Tagish Road.
- $295,000 for intersection improvements along the Alaska Highway.
- $400,000 this year for intersection of Haines and Alaska highways in Haines Junction.
- $215,000 this year for airport improvements in Old Crow.
- $200,000 to pave aircraft parking areas at the Whitehorse International Airport.
- $200,000 for street upgrading in Carcross.
- $101,000 to improve approaches to the M'Clintock River bridge.
- $85,000 to install a bridge on the Nahanni Range Road.
- $50,000 to design walkway on the Nisutlin River bridge in Teslin.
- $1.5 million in Training Trust Funds to help Yukon workers gain skills for new employment opportunities.

A Budget for Communities

- Municipal block funding up by two per cent a year to help with solid waste management.
- Annual contribution to Association of Yukon Municipalities increased by $25,000.
- A further $3 million in Community Development Fund, including Fire Smart program.
- $1 million for Rural Roads Upgrading Program.
- $50,000 more a year for the Dawson Arts Society.
- $120,000 for community bus in Old Crow at a cost of $120,000.
- $1.75 million for rural residential and recreational lots.
- $375,000 for recreational upgrading projects in Ross River.
- $1 million to begin building new recreation facility in Carmacks.
- Swimming pool in Whitehorse and recreation centre in Dawson City both under construction this season.

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Budget Speech

Long Term Plans

Budget Fact Sheets

Supplementary Information

Yukon
Finance

101-00398/

BUDGET 2000 2001

Budget Address

presented by

Government Leader

HONOURABLE PIERS McDONALD

Minister of Finance

at the First Session of the

Twenty-ninth Legislative Assembly

WHITEHORSE, YUKON • FEBRUARY 21, 2000

Yukon
Finance

BUDGET 2000 2001

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Our Place in a Changing World

Mr. Speaker, it is my privilege today to present a budget that responds to the priorities Yukon people themselves have expressed, and sets out our government's vision for the territory for this year and beyond.

A budget for people: extensive investment in health, education and social programs

This is a budget for people. It reflects the Yukon's core values as a caring and compassionate society, with extensive investments in health care and education, and increased support for social programs.

It honours our commitment to manage the public purse responsibly and to make strategic investments that will create jobs and stimulate growth.

Bold steps to develop a stronger, more diverse economy

This budget addresses the needs of Yukon families and provides new measures to improve life for people at the lower end of the income scale.

It continues the tax reforms we began last year, with several new initiatives that will result in lower taxes for all Yukoners.

It responds to the needs of Yukon communities and the volunteer groups that contribute so much to the fabric of our lives.

A balanced agenda that respects who we are and where we've come from

On the economic front, it supports the bold steps our government is taking, in partnership with the community, to develop an economy that is stronger and more diverse.

This new economy will allow Yukon people to pursue emerging opportunities, while respecting our cultural diversity and environmental heritage.

This budget recognizes the continued importance of sectors such as mining, tourism, construction and forestry. It will also foster growth in new activities such as oil and gas, film production and knowledge-based industries.

It contains new initiatives that will increase our ability to compete, that will help attract investment, and that will encourage creativity and innovation.

This budget represents a balanced agenda that respects who we are and where we have come from, as we chart a course for the future.

Yukon people want a lifestyle that is economically and environmentally sustainable. We want to live in a community of people who care about each other. We believe that each of us deserves the opportunity to achieve our full potential.

A community of people who care about each other

Government does its part by listening to the community and responding to what it hears. And it shows leadership by taking decisive action.

As this budget demonstrates, we are listening to Yukon people.

We are responding.

And we are providing leadership as the territory takes its place in a changing world.

Leadership that listens to the community and responds

We have just entered a new century of expanding opportunities. Our task as a community is to choose directions that allow us to benefit from those opportunities and achieve our common goals.

This task does not belong to government alone.

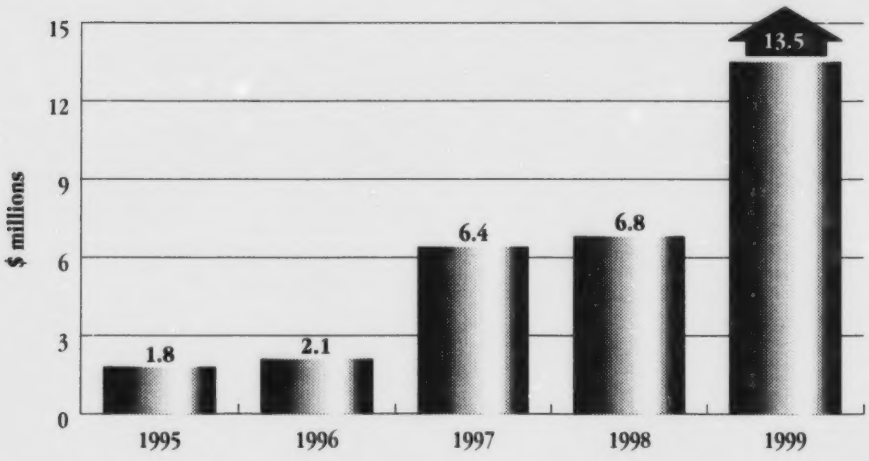
This budget demonstrates faith in the ability of Yukon people to make informed choices that will take us forward together.

A budget that demonstrates faith in the ability of Yukon people

Before moving on to the specific details of the main estimates for 2000-2001, I would like to provide a snapshot of where our economy stands at the moment.

Value of Yukon International Goods Exports

excluding lead and zinc



Source: Industry Canada Strategis

The export of Yukon products other than minerals has risen dramatically in the past three years. This is a direct result of Yukon business people looking outward and carving out their own niche in the global economy.

Looking outward to carve a niche in the global economy

We all know of the difficulties faced by the mining sector in the past three years, with the Faro mine closure, low base metal and gold prices, decreased demand for minerals due to the Asian financial collapse, and the problems junior mining companies have had attracting investors.

Through the resilience and ingenuity of Yukon people, we have been able to offset some of the impact of those realities.

Who could have predicted five years ago that fish spawned in the Yukon would be served in restaurants in China, that Yukon home-building expertise would be at work in Chile, or that a Yukon singer/songwriter would be a top-selling musician in Taiwan?

Yukon people don't sit back and wait; they aggressively seek opportunities

For that matter, who would have predicted even two years ago that Yukon-made beer would be selling in Ontario, or that Yukon-made log homes, furniture and computer software would be finding promising markets in Alaska?

Yukon entrepreneurs aren't sitting back and waiting. They're aggressively seeking opportunities beyond our borders.

Retail growth shows impact of tourism and consumer confidence

Last year, the value of forest products exported from the Yukon was $5.7 million, more than 400 per cent above the 1998 level.

The growth in value-added processing of forest products, with new sawmills in Watson Lake, Haines Junction and Teslin, is providing jobs for many Yukoners.

The good news continues on the tourism front, as well. Last year, the number of tourist visits to the Yukon set a new record for the third year in a row.

Between May and September, more than a quarter of a million people visited the territory – nearly six per cent more than 1998.

The steady rise in retail sales shows the positive impact of increased tourism, as well as the basic confidence of Yukon consumers.

The territory is getting set for another banner year in tourism, with the centenary of the White Pass and Yukon Route and direct flights from Europe by three charter airlines this summer – two more than last year.

Three airlines will provide direct service from Europe this summer

A longer runway and other improvements at the Whitehorse International Airport were key factors in attracting this transcontinental traffic. Scheduled flights by both Canadian Airlines and Canada 3000 are also expected to continue.

Last year also saw a 20 per cent growth in the building construction sector, with public and private construction projects totalling nearly $50 million.

The performance of this sector is expected to remain strong this year. Construction and highway projects already planned for 2000 represent an investment of about $90 million by government and the private sector combined.

$90 million in public and private construction expected this year

This will provide many jobs for Yukon workers throughout the territory.

Another expanding area is agriculture, with nearly $4 million in production last year. Much of that was in livestock and poultry products, which are increasingly available for sale in the Yukon, thanks in part to the territory's new abattoir.

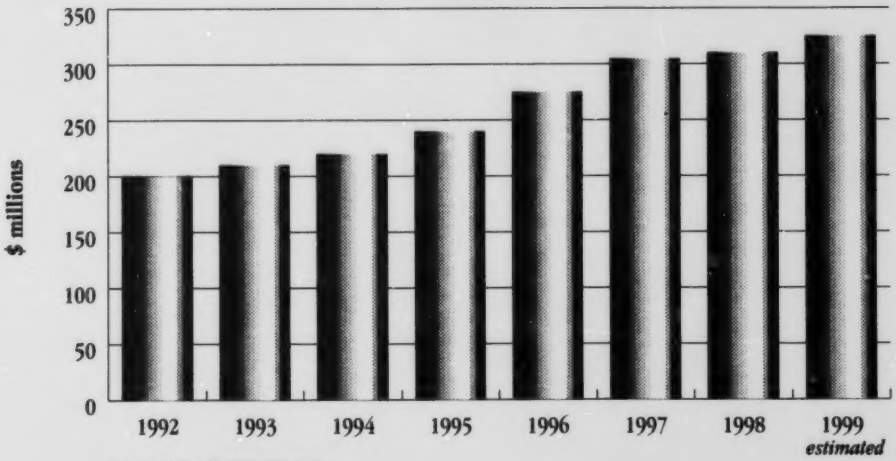
Improved performance in these areas is not happening by accident.

Improved performance because of careful planning and hard work

It's happening because of careful planning and hard work.

It's happening because Yukon people know how to rise above adversity and move forward together.

Yukon Annual Retail Sales



Source: Yukon Bureau of Statistics

The Shape of Our Economic Future

In its study of the Yukon's economic prospects last fall, the Conference Board of Canada confirmed that our economy has turned the corner and is rebounding.

Annual growth of 2.3 per cent predicted over the next decade

That study forecast a 2.3 per cent annual increase in our Gross Domestic Product for the next decade.

Specifically, it predicted continued growth in tourism, construction, service-related industries, oil and gas, forestry and cultural industries.

The Conference Board, and economists from several Canadian and international banks, also predict a gradual improvement in commodity prices as Asian markets recover and the economies of Canada, the U.S. and Europe remain healthy.

Our more broadly-based economy will be built on mining and more

As mining regains strength with increased metal prices, it will be part of a stronger, more broadly-based Yukon economy. The future success of this economy will be built on mining and more as we move into new areas of activity.

As we consider how to shape our economic future, there is no doubt that we must accept the challenges of change.

Shaping the future means accepting the challenges of change

The Yukon Economic Forums have presented several thought-provoking speakers and provided workshops and other opportunities for Yukon people to engage in a dialogue about new economic options.

Much of that dialogue has revolved around a basic message that our future success will depend on five key elements:

- a well-educated and well-trained work force;
- appropriate infrastructure to support economic activity, including technology infrastructure;
- an attractive quality of life;
- a diversified economy; and
- a community that encourages innovation and creativity.

Our government's vision is based on these elements.

We will continue to honour our commitment to make sure Yukon students have access to quality education.

Government's vision includes quality education and training for new opportunities

We have invested millions of dollars in training to help ensure that Yukoners can take advantage of new job opportunities, and that new economic ventures will have access to well-trained local workers.

The massive investments we have already made in infrastructure will support growth well into the future. These include:

- a major runway expansion and the development of a multi-year plan to improve facilities at the Whitehorse Airport;
- a multi-million dollar investment in energy initiatives to keep electrical rates stable for municipal, commercial and residential users;
- a commercial-scale wind turbine and other energy innovations to reduce our dependence on high-cost imported diesel fuel;
- major highway improvements every year that benefit commercial operators and tourists, as well as Yukon residents; and
- a commitment of millions of dollars for communications infrastructure throughout the territory.

Investments in infrastructure will support growth well into the future

Our efforts to provide the tools for a stronger economic future don't stop there.

We have taken bold steps to secure long-term access to tidewater port facilities in Alaska.

We'll work with community to gain better access to resources in south-east Yukon

This will support the export of Yukon products to world markets.

Besides helping to investigate the feasibility of a rail link from Alaska, our government will work with the community to gain better access to forest and other natural resources in south-east Yukon.

We are also advocating the Alaska Highway route for a natural gas pipeline.

Another key element that contributes to economic growth is our attractive quality of life.

This includes an excellent health care system, safe and healthy communities, and a wealth of cultural and recreational opportunities.

We have excellent health care, safe communities, recreational opportunities

As well, the Yukon is a community of resourceful people who are open to new ideas and willing to try new things.

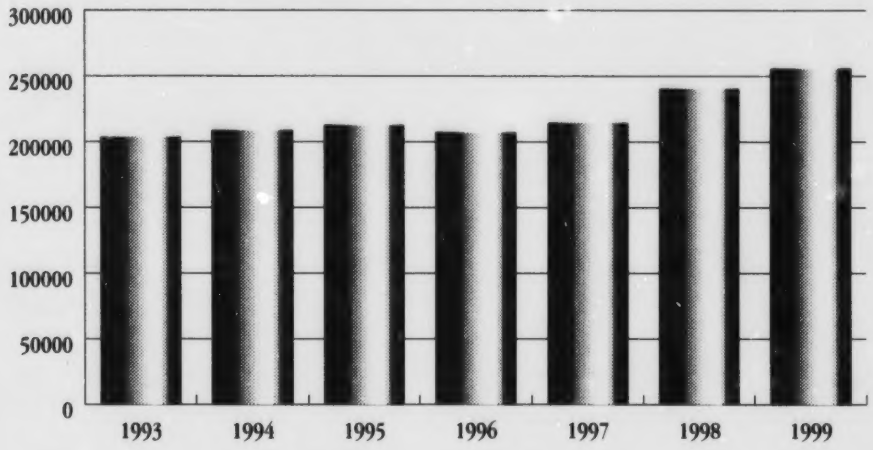
The challenge we face is to make sure the transition to a new economy respects the values that make the Yukon special.

Yukoners are resourceful and open to new ideas

The balanced agenda this budget represents will help ensure that we are prepared to meet that challenge.

Transition to a new economy must respect Yukon values

Annual Non-Yukon Resident Border Crossing



Source: Yukon Bureau of Statistics

The 2000-2001 Budget in Brief

Sustainable spending meets Yukoners' needs without raising taxes

Mr. Speaker, our government has repeatedly stressed the importance of a responsible, sustainable spending pattern that meets the needs of Yukoners without raising taxes.

We have repeatedly promised to maintain a workable savings account in the form of an accumulated surplus.

Once again, this budget honours those promises.

Budget demonstrates commitment to long-range planning

It continues our record of sustainable spending over time.

It strikes a reasonable balance in meeting the priorities Yukon people have expressed.

It once again demonstrates our commitment to long-range planning.

In brief, the main estimates for 2000-2001 call for a total expenditure of $508.7 million, including a contingency of $5.9 million, against revenues of $481.1 million.

Total expenditure of $508.7 million in 2000-2001 fiscal year

An estimated operating deficit for the year of $27.6 million will leave an accumulated surplus, or savings account, of $13.7 million before lapses at March 31, 2001.

This is reflected in our long-range expenditure and revenue projections, which allow for drawing on our savings to meet short-term needs.

It lets us meet our commitments in health care, education and social services.

It supports economic growth.

And it continues the program of tax reform we began with last year's budget.

Total spending on operations and maintenance in the coming year is set at $398.7 million.

It includes a contingency amount to cover wage settlements with public-sector bargaining units, as well as increased investments in health care and education.

The capital budget for the 2000-2001 fiscal year calls for a net expenditure of just under $58 million.

Investments of $58 million in capital projects

On the revenue side, this budget reflects the impact of tax cuts and incentives we introduced last year, as well as several new tax initiatives. This impact is projected at slightly over $4 million over the next fiscal year.

Today, we are introducing another major tax measure that will provide a benefit for all Yukon people and families.

By managing our financial resources wisely, we have kept our promise to protect the quality of health care and education without increasing taxes or imposing health care premiums.

We have protected quality of health care and education

As a result, we are in a position to reduce the personal income tax paid by all Yukon people.

Within the 2000-2001 fiscal year, the territory's personal income tax rate will go down from 50 per cent to 46 per cent of the basic federal income tax payable.

On January 1, 2002, this rate will drop to 44 per cent.

This means that all Yukon taxpayers will be paying 12 per cent less territorial income tax in 2002.

Across-the-board reduction in personal income tax

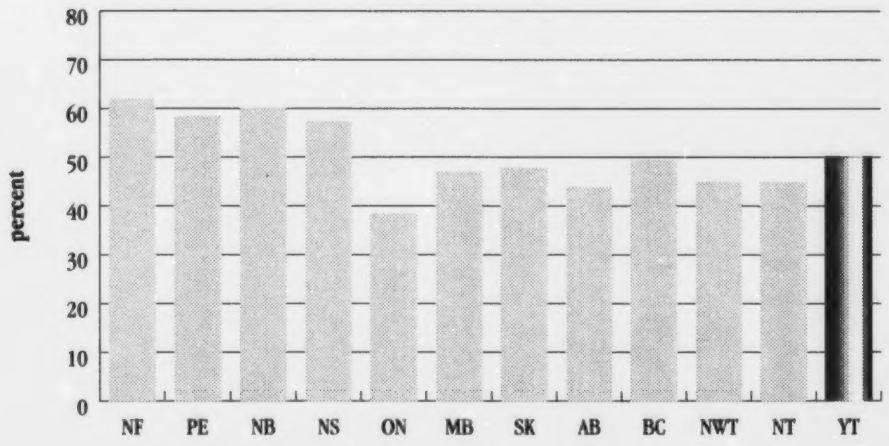
Combined with other measures being introduced today, this will help Yukon people keep more of what they earn to use for other priorities.

Personal Taxes

Yukoners will pay 12 per cent less territorial income tax by 2002

Personal Income Tax Basic Rates

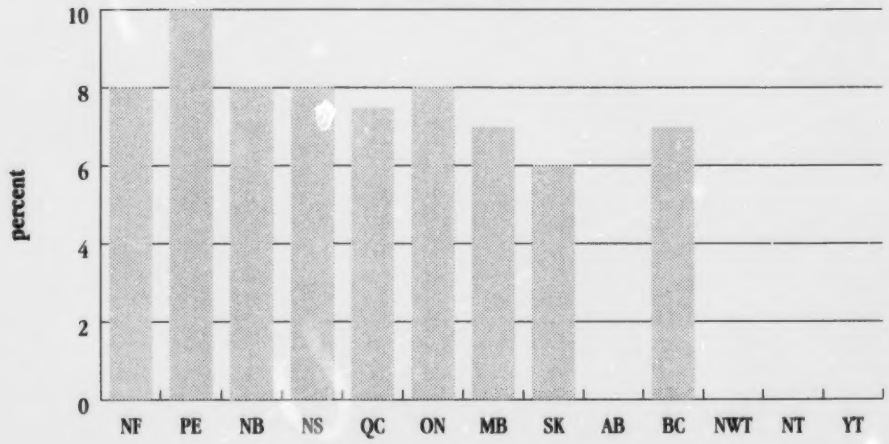
(% of Basic Federal Tax)



Note: Yukon PIT will drop to 46% on January 1, 2001 and 44% on January 1, 2002.

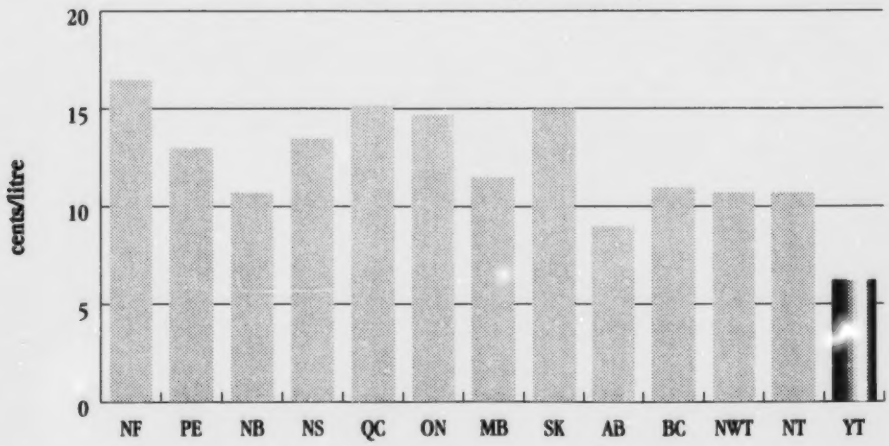
Most Canadian jurisdictions have a retail sales tax

Retail Sales Tax



Yukon has the lowest gasoline tax in Canada

Gasoline Tax (unleaded)



Source for all charts: Department of Finance, Yukon

Realizing Our Economic Potential

Mr. Speaker, I will now outline our spending commitments for the 2000-2001 fiscal year in more detail, beginning with what we are doing to help the Yukon realize its economic potential.

Support to communities from CDF, Fire Smart, Rural Roads will continue

In communities throughout the territory, people tell us how helpful initiatives like the Community Development Fund, Fire Smart and the Rural Roads Upgrading Program are to them.

We agree, and we're maintaining these programs at the levels set in the 1999-2000 main estimates.

Trade, Tourism funds being maintained at $750,000 each

Similarly, tourist operators and other business people have told us how much they appreciate the support provided by the Trade and Investment Fund and the Tourism Marketing Fund.

These funds are also being maintained at $750,000 each.

With this budget, we are also addressing a need expressed by several tourism-related organizations.

Tourism event organizers can now get long-term support from TMF

They will now be able to apply for long-term support for their activities through the Tourism Marketing Fund.

This should be helpful for organizers of significant tourism activities such as the Yukon Quest, the Sourdough Rendezvous, or summer festivals, which do a great deal to promote the Yukon.

This budget supports continuing growth in tourism and export trade in several other ways.

In tourism, for example, we are making substantial new investments to promote the Yukon as a place to visit. These investments include:

- $250,000 more a year for overall tourism marketing, with $50,000 of that set aside to increase marketing of the Campbell Region near Ross River and Faro;

Over $6 million to build on established markets, pursue new markets

- $300,000 a year for marketing initiatives aimed at the Asia-Pacific region;
- an additional $75,000 a year toward enhanced marketing in Europe;
- $300,000 over the next two years for the Department of Tourism to continue its program of co-operative marketing partnerships;
- an additional annual contribution of $30,000 to the Tourism Industry Association of the Yukon to enhance its work on behalf of this expanding industry.

Other ongoing marketing support includes annual contributions totalling over $375,000 to groups such as the Yukon Convention Bureau Society, the Alaska Tourism Marketing Council and the Wilderness Tourism Association of Yukon.

Yukon ready to welcome the Arctic Winter Games

These investments are part of a total tourism marketing effort that will exceed $6 million in the coming year.

We are building on existing markets and pursuing new markets for what the Yukon has to offer, both in the summer season and at other times of the year.

One outstanding example of winter activities is the Arctic Winter Games, which will open two weeks from now.

$60,000 for student Trade Ambassador program to help local businesses

Athletes, performers and mission staff from around the circumpolar North will be here to take part in friendly sporting competition, to develop new friendships and to learn more about each other's cultures.

While visitors from around the world are discovering the territory, Yukon people have been looking beyond our borders to discover new economic prospects.

Today, I am pleased to announce new programs to expand those efforts.

We are investing $60,000 to establish a student Trade Ambassador program.

Through this program, post-secondary students from the Yukon will be able to spend a year helping local companies identify opportunities in international markets in Asia and elsewhere.

They will spend part of that time overseas and the rest here, with experienced Yukon business people acting as mentors.

Tourism and Advanced Education will administer this program, which is expected to meet the criteria for federal funding under the Youth International Program.

Besides gaining valuable work experience, students will qualify for academic credit through this program.

$50,000 to attract students for ESL and wilderness tourism

Tourism will undertake another overseas initiative with considerable potential to bring long-term economic benefits to our growing adventure tourism sector.

With initial funding of $50,000, the department will conduct a program to attract overseas students to come here and combine English-language studies with adventure tourism throughout the territory.

Our vast wilderness, excellent educational facilities and skilled tourism operators give the Yukon many advantages in seeking business opportunities in this field.

Making Internet access a reality in rural Yukon

In a related initiative, Advanced Education will receive $100,000 for a contribution agreement to help Yukon College develop other opportunities to generate revenues by serving students from the circumpolar region and elsewhere.

One of the main roles of our Trade and Investment Strategy is to seek new investments in Yukon ventures.

$1.5 million to improve water pressure to Whitehorse Airport area

The success of the Immigrant Investor Fund, combined with other government investments, has allowed us to commit $14.5 million in public funds toward communications infrastructure.

The *Connect Yukon* project, which we are undertaking with the private sector, will make reliable, affordable telephone service accessible to rural residents.

It will also increase data-transmission capacity substantially, making quick and reliable access to the Internet a reality in rural Yukon.

Other infrastructure investments that directly support economic growth and help create jobs include:

- $1.5 million as the Yukon's share of a two-year, $2.3 million project to improve water pressure to the Whitehorse Airport and potential developments in the adjacent area;

- $25 million in each of the next three years on the Shakwak Highway project;
- $1 million this year to continue improvements to the Campbell Highway, which is becoming a more significant commercial and tourist route; and
- $750,000 this year to initiate improvements to the Tagish Road.

$1 million for Campbell Highway; $750,000 for Tagish Road

Another investment that could lead to major economic growth in the future is a $100,000 amount for technical analysis related to the proposed Alaska Highway pipeline.

$100,000 analysis related to potential $6 billion pipeline project

While there are competing proposals for a pipeline from Alaska to southern markets, our government favours this route, which has already been surveyed and permitted.

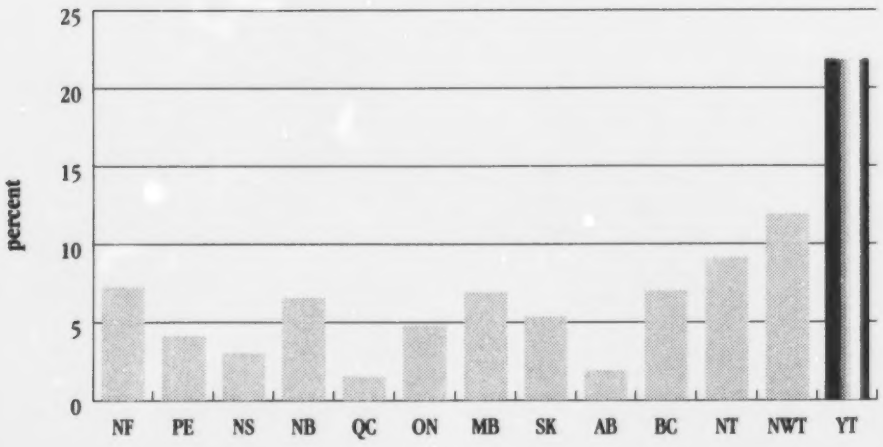
This enormous, multi-year project would cost about $6 billion US. It would be the largest capital development ever undertaken on Yukon soil, and would provide a large number of jobs for Yukon people.

Millions in oil and gas exploration and development on horizon

The oil and gas sector is a bright light on our economic horizon, with a potential of $10 million in exploration and $5 million in development this year.

Over the next six years, one company alone is committed to investing $20 million in exploration in the Eagle Plain Basin.

Capital Expenditures
by Jurisdiction
as a percentage of Total Expenditures



Source: Department of Finance, Yukon. For Yukon: 2000–01 Estimates. For all others: 1999–00 budget documents.

A second sale of exploration rights in this basin and the Peel Plateau is planned for this year.

Mr. Speaker, our government firmly believes that mining will remain an important part of the Yukon's economy.

$520,000 for resource assessments part of support for mining

The enormous potential of the Tintina Gold Belt straddling the Yukon-Alaska boundary, for example, was the focus of attention at last month's Cordilleran Round-up in Vancouver.

This promising region is just part of the Yukon's tremendous resource endowment.

This budget confirms our ongoing support for the Yukon Geoscience Program and the Yukon Mineral Incentive Program. It also sets aside $520,000 for resource assessments.

$200,000 in training funds when Minto copper project starts

We will continue to work with the mining industry on the Blue Book process to help find ways to streamline the federal government's permitting process, prior to the Yukon assuming responsibility for this sector.

In co-operation with industry, we will also continue to develop and implement the Yukon Mineral Strategy.

Assistance for other resource-based activities to train Yukon workers

We are also assisting the mining industry through investments in training.

In this budget, we are specifically setting aside $200,000 in training funds for Minto Resources when its copper mining project near Carmacks goes ahead.

With improved copper prices, that could take place this year.

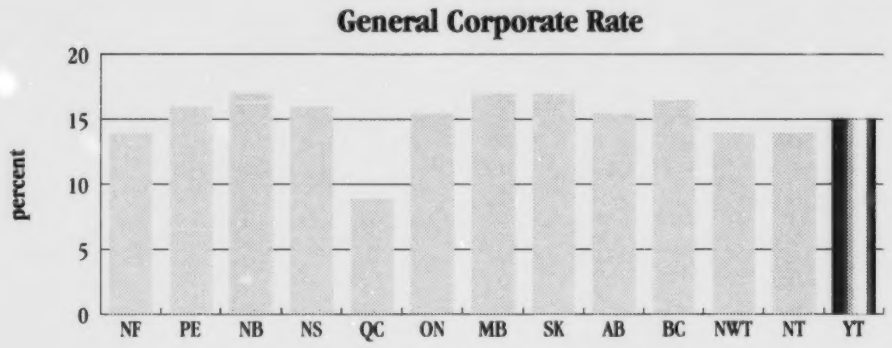
Training assistance will also be available to other mines coming on-stream that will provide employment opportunities to Yukon workers.

As other resource-based activities begin, similar training assistance will be provided.

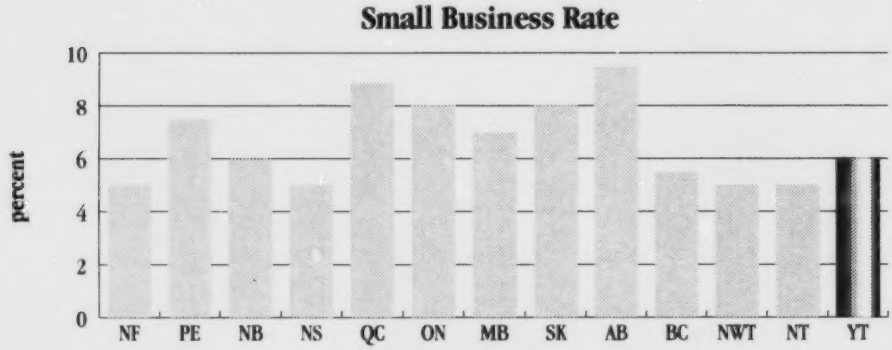
Our commitment to training trust funds and other initiatives has helped many communities, businesses and volunteer organizations provide Yukon people with the skills they need to participate in the economy.

Business Taxes

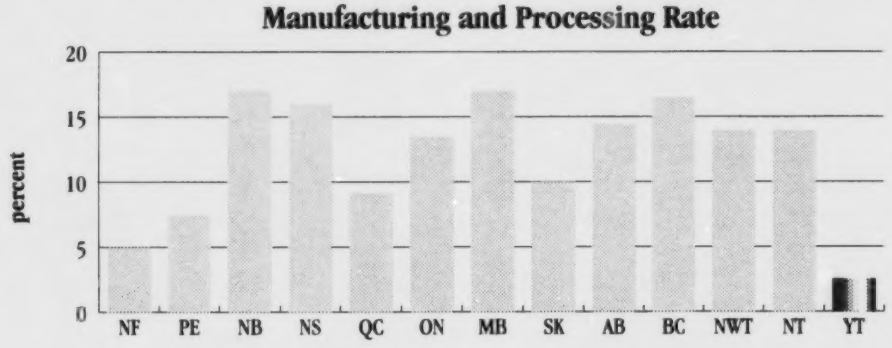
Business, corporate tax rates comparable to others

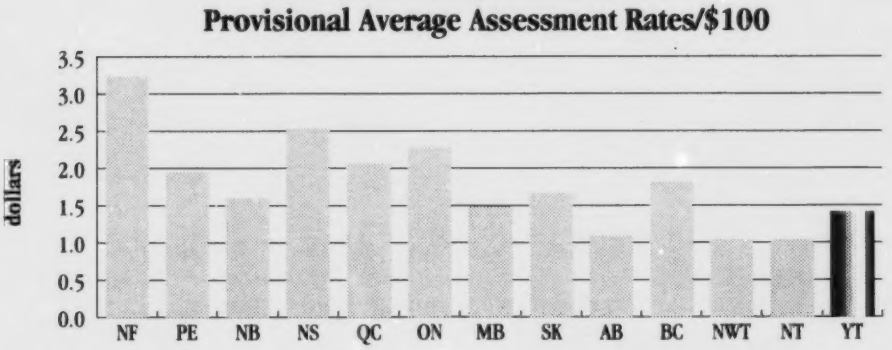


Lowest manufacturing tax rate in Canada



Worker's Compensation assessments among the lowest





Source for all charts: Department of Finance, Yukon

This important effort will continue, with an ongoing commitment of $1.5 million in the training trust fund account.

Another way our government is creating a positive climate for economic growth is by reforming our tax regime.

Tax measures in 1999-2000 a first for the Yukon

Last year, following a series of tax reform round tables, we introduced several tax measures that were a first for the territory.

One of these was the Yukon Mineral Exploration Tax Credit of 22 per cent on eligible investments, which runs until March, 2001.

We are now establishing two new tables to discuss steps we could take in future to make the Yukon a competitive tax regime for both mining and forestry.

Venture capital fund rate set at 25 per cent

Another tax initiative we introduced last year was the Small Business Investment Tax Credit, which provides an incentive for Yukon people to invest in local businesses.

In the fall sitting, we passed legislation to establish a Labour Sponsored Venture Capital Fund, the Fireweed Fund, which was another idea from last year's tax round tables.

Today, we are setting our rate for investment tax credits under that fund at 25 per cent. With the federal rate of 15 per cent, this means a total tax credit for eligible investments of 40 per cent.

The Fireweed Fund has the potential to make a large pool of investment capital available to support economic ventures in the Yukon.

Research and Development Tax Credit to encourage Yukon ingenuity

As one result of this year's tax round tables, today we are introducing another tax measure to stimulate the economy.

This is a Yukon Research and Development Tax Credit, which is aimed at encouraging local research and development and promoting ingenuity.

The territorial rate for eligible investments will be 15 per cent, and the credit will be refundable. Combined with the federal credit, a significant benefit will be available for eligible expenditures.

Last year, we demonstrated our belief in Yukon innovators by establishing the Technology Innovation Centre, based in the Northern Research Institute.

$275,000 support for Technology Innovation Centre

In the coming year, we will invest a further $275,000 in the Technology Innovation Centre, to show our ongoing support for knowledge-based economic activity.

We are also introducing another program to encourage innovative Yukoners to develop their good ideas into workable small business ventures.

This is a Microloan Program, which will provide initial loans of up to $2,000 for people who don't qualify for conventional credit to get their projects off the ground.

Microloan Program to help launch small ventures

Administered by Dana Naye Ventures, this program will include a mentoring and training component, as well as a co-operative support system among people who receive these microloans.

As loan recipients develop a successful track record, the loan ceiling could be raised.

Mr. Speaker, another growing sector of our economy is film and video production, which is making a significant contribution to the local economy.

New investments to attract film and video productions

Because last year's investment of $175,000 in the Film Incentive Program helped attract a number of production crews to the territory, we are maintaining it in the coming year.

This year's budget also includes $40,000 to develop a Yukon location guide to bring Yukon sites to the attention of outside producers.

We are also making a one-time investment of $353,000 for the Northern Film and Video Industry Association to complete the purchase of specialized equipment – called a "grip and electrics" package – needed for professional productions.

Having this equipment available locally will encourage more activity by reducing costs for outside commercial productions to come here.

The association will rent out the equipment at Vancouver rates, and use the revenues to help train more Yukon residents for film and video work.

Diversifying our economy also involves encouraging smaller areas of activity. I would like to mention two more items that will have a significant impact on the industries involved.

Supporting efforts to market Yukon furs

During pre-budget consultations, we heard that Yukon trappers needed help marketing their products to offset low prices for furs. In response, we are providing new support for this important part of the Yukon's traditional economy.

This budget provides an annual $40,000 to support the efforts of the Yukon Trappers' Association to market furs harvested in the territory.

Harvest Fair showcases variety and quality

We will also contribute an ongoing amount of $20,000 to help the Yukon Agricultural Association organize its annual Klondyke Harvest Fair.

This fair is helping make Yukoners and visitors alike more aware of the excellent quality and variety of Yukon agricultural products.

Making it easier to do business with government

Another way we are helping provide a climate for economic growth is by identifying ways to ease the burden of government regulations.

We are doing this through a Code of Regulatory Conduct that commits government departments to consult with those affected by new laws or regulations, and use the least-intrusive measures that will achieve the desired results.

We are also doing it through a government-wide program to reduce the red tape involved in dealing with government.

Several red-tape reduction initiatives have been taken already. These include:

- providing longer terms for certain licences;
- making more services available electronically; and
- eliminating outdated regulations representing almost one-third of the regulations on the territory's books.

Consultations are ongoing in different communities and with specific sectors to get more input on how to reduce red tape further and make it easier for the private sector and people everywhere to do business with the Yukon government.

Hard work and innovation are keys to economic strength

Our government will continue to support new ideas and encourage hard work, creativity and innovation that will help diversify and strengthen the Yukon economy.

We will continue to work with Yukon businesses in their efforts to attract new investment and to research, develop and market new goods and services.

And we will continue to invest in training and in the infrastructure needed for sustainable economic growth, so that the Yukon can realize its economic potential.

Reinforcing Our Social Foundations

Mr. Speaker, one of the fundamental responsibilities of a democratic society is to ensure its citizens have access to the things they need for a decent and dignified lifestyle, regardless of their source or level of income.

Among other things, these include proper food, shelter and health care, access to education, a safe environment and guaranteed human and civil rights, including the right to equal and fair treatment before the law.

Yukon health system ranks with Canada's best

Our government believes that universal, publicly-funded health care is a basic right. The Yukon is fortunate to have a health care system that ranks with the very best in Canada.

We have promised to protect that priceless legacy. With rising costs and constrained revenues, this has required belt-tightening in other areas.

$7.9 million to start building continuing care facility this summer

With all other provinces and territories, we have been urging the federal government to restore funding for the Canada Health and Social Transfer to its 1994 level, which would allow us to improve health care, social services and post-secondary education.

As part of the Yukon's commitment to improved health services, last year we opened seven additional extended-care beds at the Thomson Centre.

We also promised to build a new continuing care facility in Whitehorse.

Construction begins this summer, with over $7.9 million in this year's budget.

The new facility will be completed in 2002, with an additional investment of more than $8 million in the succeeding two years.

Today, we are announcing another significant health care investment, with a capital contribution of $1.4 million for new equipment at the Whitehorse General Hospital.

$1 million to buy CAT scan for Whitehorse General Hospital

Of that amount, $1 million will go toward the purchase of a computerized tomography unit, better known as a CAT scan.

Diagnosis more convenient, could save medevac costs

$740,000 O&M increase includes CAT scan operation

The Yukon Hospital Corporation and many in the medical community have identified this as their first priority for new equipment, and we are pleased to respond.

Having this valuable diagnostic tool available in the Yukon will make it more convenient and less stressful for Yukon people to receive diagnoses. It will also save some of the costs and risks involved in medevac flights to hospitals outside.

Health Summit discussed what Yukon priorities should be

This budget also commits an ongoing amount of $400,000 a year to operate the unit. We are also increasing our contribution towards the hospital's operating and maintenance costs by $340,000 in 2000-2001.

While other parts of Canada face a health system in crisis, Yukon people have reason to be proud of the health care available here. At the same time, it is important to look ahead and decide as a community where to put our priorities for the future.

Last fall, 100 people from around the Yukon took part in a special Health Summit.

During the two-day event, delegates discussed a wide variety of issues and made many suggestions about where the territory should focus its attention in order to improve the health status of Yukon people.

We have allocated $50,000 in this year's budget to follow up on last year's conference with a Health Summit 2000. The focus will be on how to prevent illness by promoting healthier lifestyle choices.

$50,000 for Health Summit 2000 to focus on healthy lifestyles

One example of our support for healthy lifestyles is the Community Addictions Treatment Fund we established last fall.

This budget confirms that health investment with an ongoing contribution of $300,000.

Ongoing support of $300,000 for Community Addictions Treatment Fund

We also know that early intervention with children at risk helps prevent serious problems later. One of the leading experts in learning disabilities, Dr. Fraser Mustard, reminded Yukon audiences of this fact last fall.

Early intervention is also cost-effective. Research shows that each $1 spent early in the life of a child at risk saves as much as $7 dealing with serious behavioural and other problems later on.

Last year, we increased our support for the Child Development Centre's work in rural Yukon with pre-school children at risk.

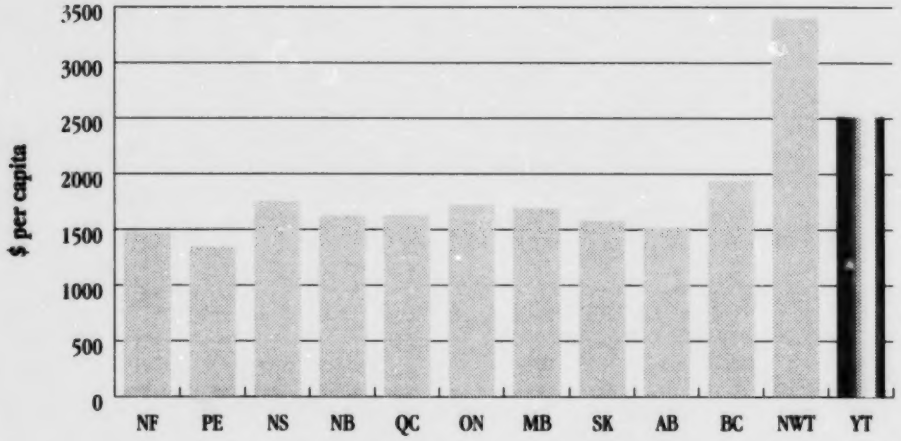
To further address the needs of children at risk, such as those with Fetal Alcohol Syndrome and Fetal Alcohol Effects, we are investing a further $150,000 in the Healthy Families Initiative.

$150,000 more for Healthy Families Initiative

1998-99 Expenditures on Health

by Jurisdiction

per capita Expenditures



Source: Statistics Canada

Similarly, we are providing an additional $150,000 for the Reading Recovery program, which is proving successful at helping school-aged children.

Increased funding for Reading Recovery and Food for Learning

Another school-based program that is helping meet the needs of Yukon children is Food for Learning. This program has had the benefit of a great deal of community support from Yukon people and businesses.

To build on our initial investments three years ago, we are increasing support for that program by $30,000 a year.

Mr. Speaker, last year we introduced tax reform initiatives to help address the needs of low-income Yukon families.

$200,000 for first increase in Social Assistance rates since 1991

One was the Low Income Family Tax Credit, or LIFT credit, which provides a benefit of up to $300 per year for people with less than $25,000 in net income.

Another was the Yukon Child Benefit, which provides up to $300 a year per child for families with a net income below $16,700. About 1,300 Yukon families, representing 2,500 children, are now receiving those benefits each month.

To further help Yukon people with low incomes meet their daily costs, we are introducing other new measures. These are:

$70,000 tuition support for Social Assistance recipients taking training

- an ongoing allocation of $200,000 to support the first increase in Social Assistance rates since 1991, to help those in our society who are in the greatest need; and
- $70,000 a year in tuition support to encourage people receiving Social Assistance benefits to take part-time training programs at Yukon College.

Another example of our commitment to Yukon families and children can be seen in our investment of over $5 million a year in child care subsidies and direct operating grants to child care providers.

These initiatives related to health and family security represent just some of the ways our government is reinforcing the social foundations of Yukon society.

As another example, with this budget we are providing $30,000 more a year for the Handi Bus service in Whitehorse as a practical way to help meet the needs of people with disabilities.

This budget includes $50,000 for a Yukon-wide Social Justice Forum this year.

This will provide a venue for a focussed discussion on how we, as a society, support one another in times of difficulty.

$50,000 for Yukon-wide forum on Social Justice

Our government recognizes the need to use available resources efficiently in providing services to Yukon people.

During the coming year, we will begin a comprehensive review of how we can best deliver these services, and what opportunities there may be to integrate facilities, resources or activities.

Comprehensive review of service delivery planned

While it is important to avoid duplication and overlapping of services, it is equally important to identify gaps that need to be filled.

This review will involve all government departments and agencies responsible for direct services to the public, as well as non-governmental groups that provide services on behalf of government.

Mr. Speaker, another vital part of our social fabric is the educational opportunities available, both in childhood and throughout life.

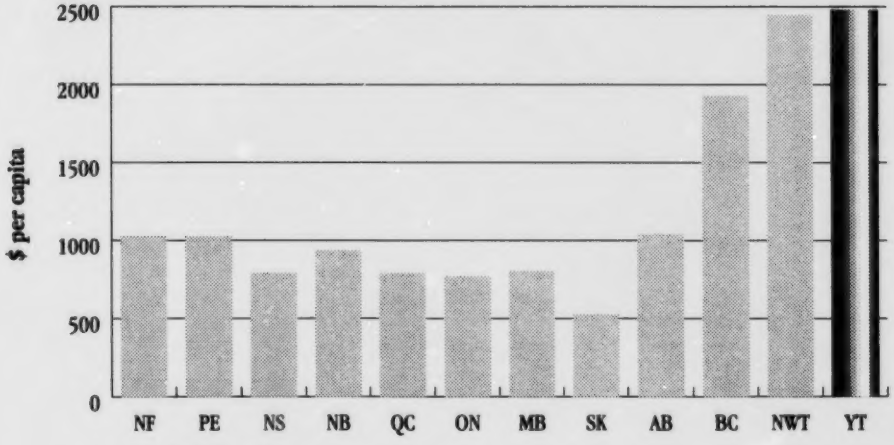
Our public education system is founded on the *Yukon Education Act*, which acknowledges the responsibility the whole community shares for educating our young people.

Per capita spending on public education highest in Canada

1998-99 Expenditures on Primary and Secondary Education

by Jurisdiction

per capita Expenditures



Source: Statistics Canada

This budget includes $272,000 for the required review of the Act, which will begin later this year. A steering committee is already at work defining the terms of the review and how it will take place.

$7.5 million for Ross River and Mayo school construction this year

As society changes, the needs of public education are constantly evolving.

In recognition of that fact, the department has been sponsoring a series of public lectures, workshops and informal discussions to encourage Yukon people to share their ideas about what education in the territory should look like.

These thought-provoking and sometimes controversial *Conversations In Education* will take place throughout the coming year.

$300,000 toward distance education options through 'Connect Yukon'

The 2000-2001 budget continues a three-year school replacement program that began in 1998, in response to the priorities expressed by school councils across the territory.

The new Chief Zzeh Gittlit school in Old Crow opened last fall.

In the 2000-2001 fiscal year, we will spend $5.5 million to begin construction of the long-awaited replacement for the J.V. Clark community school in Mayo this summer.

Also this summer, construction of the new community school in Ross River will be completed, with an investment in this year's budget of $2 million.

$60,000 more for Kids' Recreation; $350,000 for Youth Strategy initiatives

We will invest $300,000 during 2000-2001 in the ongoing education component of *Connect Yukon*. This will open new avenues of learning for Yukon students through teleconferencing and other distance education techniques throughout the territory.

Part of this year's investment will go toward training teachers and administrators in how to use new information technology effectively in the schools.

Other investments in Yukon young people in this budget include an additional $60,000 for the Kids' Recreation Fund, which will continue in future years.

We are also putting $350,000 into Youth Strategy Initiatives in the coming year, to continue a number of popular and effective youth leadership and recreation programs across the territory.

Involving young people in the decisions that affect them remains a key part of our government's Youth Strategy.

This budget also reflects our ongoing commitment to post-secondary education, with an annual investment of $2.5 million in student grants and scholarships.

We also provide annual funding totalling $11.3 million to Yukon College for capital and operations. This budget increases the contribution for operations and maintenance by $280,000.

Another inclusion in this budget allows for a 10 per cent increase in the general training allowance rate, with an annual investment of $150,000.

Our government also supports the development of the new University of the Arctic, of which Yukon College is a founding partner.

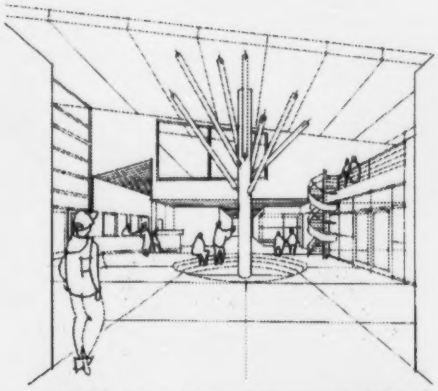
We look forward to the opportunities this "university without walls" will present for Yukon students and other northerners to pursue post-secondary education here in the north.

Contribution to Yukon College O&M increased by $280,000

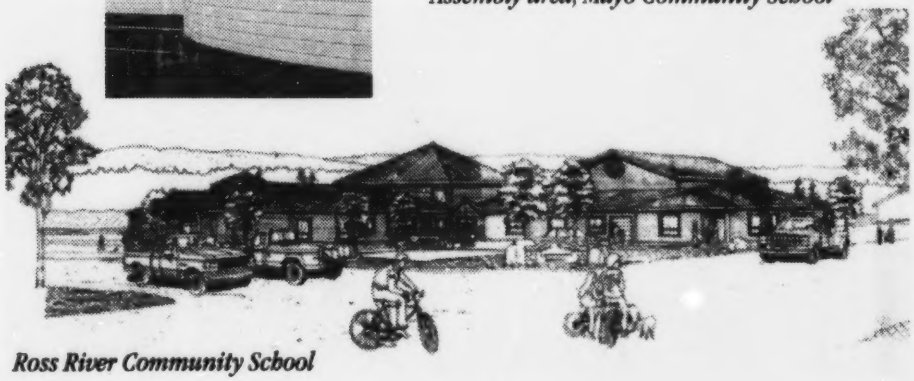
10 per cent increase in general training allowance rate

Circumpolar "university without walls" could expand options for northerners

Chief Zzeb Gittlit School



Assembly area, Mayo Community School



Ross River Community School

Reinforcing our social foundations also involves major commitments in the area of justice.

Last year's community consultations on Restorative Justice brought forward a number of excellent ideas about how we can make the justice system work better for Yukon people.

The coming years will see the redirection of programs and resources to meet the principles of restorative justice.

At the same time, we recognize that ensuring community safety also involves providing secure facilities to accommodate offenders who require incarceration.

$1 million in estimates to plan for Whitehorse Correctional Centre replacement

The 2000-2001 capital estimates include $1 million for planning and preparation for a facility to replace the Whitehorse Correctional Centre.

Legal aid contribution increased $125,000 a year to expand services

This budget also increases the territory's contribution to the legal aid program by an ongoing amount of $125,000 a year. This will expand the ability of the legal aid service to deal with civil matters such as custody and maintenance issues.

Helping Yukon people deal with the legal system accounts for $1.5 million in this budget. This includes over $1 million for legal aid, $344,000 for the Native Courtworkers Program and a $85,000 contribution to the Yukon Public Legal Education Association.

$50,000 more a year for Victoria Faulkner Women's Centre advocacy work

To further address issues that affect women in particular, we are increasing our annual contribution to the Victoria Faulkner Women's Centre by $50,000 to support its advocacy work on behalf of women in need.

Our commitment to reinforcing the territory's social foundations includes a promise we made at the beginning of our mandate, to provide stable funding for community organizations that provide services to Yukon people on behalf of government.

We have kept that promise, and will continue to do so.

Taking Care of Our Natural and Cultural Heritage

Mr. Speaker, one thing both Yukon residents and visitors value most about the territory is its outstanding natural legacy.

Tombstone and Fishing Branch symbolize this generation's legacy to the future

Yukon people expect their government to exercise responsible stewardship over our environmental heritage, as well as our human and cultural heritage.

As last year's budget address stated unequivocally, safeguarding the environment is a matter of great importance to the people of the territory. We owe that to our children and to all future generations.

Two months ago, our commitment to Yukon's environment achieved an historic landmark, with the announcement of the final boundaries for the Tombstone Territorial Park and the Fishing Branch Protected Area.

Management plans being developed for both regions

The Tombstone Steering Committee and the Northern Yukon Local Planning Team will develop management plans for these two regions during the next year.

Designating these two areas symbolizes the major legacy they represent from our generation to future generations.

As one of the speakers in the *Conversations in Education* series said, "The trees we plant now will shelter generations you and I will never meet."

$260,000 for resource assessments related to Protected Areas Strategy

This year, our government will work with other governments, conservation groups, the resource industry and other stakeholders to implement the Yukon Protected Areas Strategy in a way that benefits all Yukon people.

Our goal of protecting representative areas of all 23 of the territory's distinct ecoregions remains intact.

With the experience gained in establishing the Fishing Branch Protected Area, we are reviewing the processes in the Protected Areas Strategy to make sure they address the needs of all affected interests.

In this budget, Renewable Resources has an allocation of $260,000 for resource assessments related to the implementation of that strategy.

There is an additional amount of $260,000 for park system planning.

Our government is supporting a number of other initiatives to protect the environment through the 2000-2001 budget.

$260,000 for park system planning

We recognize, for example, the importance of proper sewage treatment to keeping Yukon lakes and rivers healthy.

This budget provides $300,000 this fiscal year for the development of sewage treatment and disposal facilities in Carcross. This is part of a three-year investment totalling almost $1.4 million.

We are also contributing $100,000 in 2000-2001 toward construction of the sewage lagoon in Burwash Landing. This project will receive a further $250,000 during the following two fiscal years.

$300,000 in coming year for Carcross sewage treatment and disposal project

In addition, part of our long-term contribution to capital projects in Dawson City is for a sewage treatment facility in that town.

Mr. Speaker, Yukon people have demonstrated a great deal of commitment to recycling as a way to help protect the environment.

$100,000 toward sewage lagoon in Burwash Landing

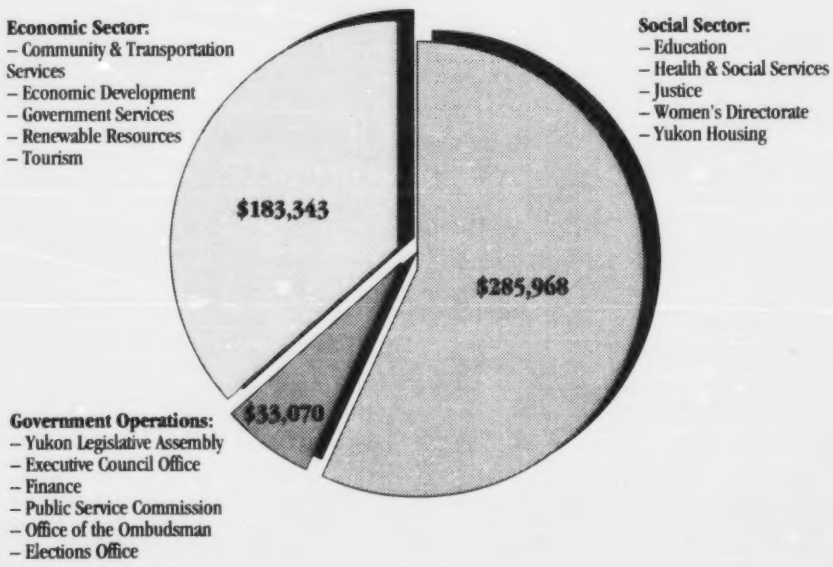
Government of Yukon

O&M and Capital Expenditures

by Sector

2000–01 Budget

$ Thousands



Many Yukon communities have established recycling programs of one kind or another. One challenge they face, however, is how to meet the transportation costs associated with recycling.

This year's budget sets aside $100,000 in direct assistance to Yukon recycling organizations to implement a territory-wide recycling program.

$100,000 contribution to implement territory-wide recycling program

Another environmental challenge confronting us is the unknown impact of global warming, especially on the fragile northern environment.

Last year, in conjunction with the federal department of Natural Resources, we established the Climate XChange program, based at the Northern Research Institute.

This fiscal year, we will invest a further $75,000 in the Climate XChange program.

A further $75,000 for Climate XChange program to study global warming effects

The budget for 2000-2001 also includes $150,000 to combat riverbank erosion on the Porcupine River in Old Crow.

Before the current budget was tabled, we committed some $6 million to a variety of energy-efficiency and alternate energy projects as part of implementing the recommendations of the Cabinet Commission on Energy.

This year, we will see concrete results from this investment, including projects in co-generation and waste heat recovery supported by the Green Power Fund.

Commercial-scale wind turbine, other energy projects being implemented

Another project being undertaken by the Yukon Development Corporation is the $2 million commercial-scale wind turbine being erected on Haeckel Hill this summer.

Our environmental commitment can also be seen in the Residential Energy Management Program, and in the expansion of the Commercial Energy Management Program to include financial assistance to First Nation and municipal governments.

These programs help residential and business consumers reduce their use of electricity, particularly in winter months. This will result in both cost savings and less use of imported fossil fuels to generate electricity.

To increase environmental awareness in our schools, this year's budget provides support for the Environmental Citizenship Program sponsored by the Environmental Education Association of the Yukon.

Encouraging environmental awareness in schools

Mr. Speaker, the settlement of land claims has increased the work of many volunteer organizations that provide input and advice on environmental and wildlife management issues. The Yukon Fish and Game Association is one such organization.

Beginning with this budget, we will contribute $20,000 annually to the Fish and Game Association to support its work on behalf of Yukon anglers and hunters.

With $30,000 from the Renewable Resources budget, we will also work with the association to conduct a survey of the territory's deer population, to determine if a limited harvest of deer would be sustainable.

Investing $400,000 more in museums, historic sites and heritage resources

Besides supporting our environmental heritage, the 2000-2001 main estimates contain substantial investments in preserving our human and cultural heritage.

These capital investments total $1.9 million in the coming year for museums, historic sites and heritage resources, which is an increase of $400,000 over the current year's main estimates.

Tax exemption policy on heritage buildings will become law

In addition to upgrading a number of landmark historic buildings in recent years, such as the White Pass railway station, our government will introduce legislation this sitting to recognize in law our policy of property tax exemptions for heritage buildings where the Yukon government is the taxing authority.

Our investments in heritage in this budget include $50,000 more for the Rampart House restoration project on the Porcupine River and $300,000 for enhancements to other heritage sites around the territory.

We are also increasing the annual contribution to the Yukon Historical and Museums Association by $25,000, to encourage its work preserving and promoting the Yukon's human heritage.

Respect for our past and respect for the future are the hallmarks of a society that takes pride in what it is and where it exists. Our government will continue to reinforce those values.

Responding to Our Communities' Needs

Mr. Speaker, we are also proud of our record in supporting Yukon communities.

From Old Crow in the north to Beaver Creek and Watson Lake in the south, and all the communities in between, Yukon people have seen first-hand how our government continues to respond to their needs.

$3 million ongoing investment in community-driven projects

For example, since we re-introduced the Community Development Fund, it has provided more than $13 million in direct support for community-driven projects.

This year's budget contains $3 million in ongoing support for the CDF.

Two per cent increase in municipal block funding to help with solid waste

Another source of support for organized communities is the annual block grant we provide to Yukon municipalities.

Last year, we increased this grant for the first time since 1992.

That process continues in this budget, with additional ongoing funding of $232,000. This represents an increase of two per cent in the comprehensive municipal grant.

Many communities have told us one of the new challenges they face is how to manage solid wastes better. This increase will help them meet that challenge.

$200,000 for pilot project in "non-burn" waste management

At the same time, we are contributing an additional $200,000 for a one-year pilot project in non-burning solid waste management.

The Haines Junction Village Council has expressed interest in taking a leadership role in finding more environmentally-friendly alternatives to burning as a way to dispose of solid wastes.

We are also increasing the annual grant to the Association of Yukon Communities by $25,000, to a total of $100,000, to support the growing need of municipalities to promote economic activities.

Another common request by many communities in the past has been for improved recreational facilities.

Recreation projects underway in Watson, Dawson and Whitehorse

As a result of recent Yukon government support, a number of recreation projects are underway around the territory.

Pelly Crossing has a new skating rink, Watson Lake is completing a new recreational facility, and construction has begun on a new recreation centre in Dawson City.

The City of Whitehorse will break ground for its new swimming pool this spring, as our long-term commitment to recreational facilities in the Yukon's capital continues at the rate of $1 million a year.

$1 million/year ongoing commitment leads to swimming pool start this spring

For Dawson City, we have increased our long-term commitment for two capital projects from $9 million to $10.4. This will contribute to both the needed recreational facilities and Dawson's choice of sewage treatment.

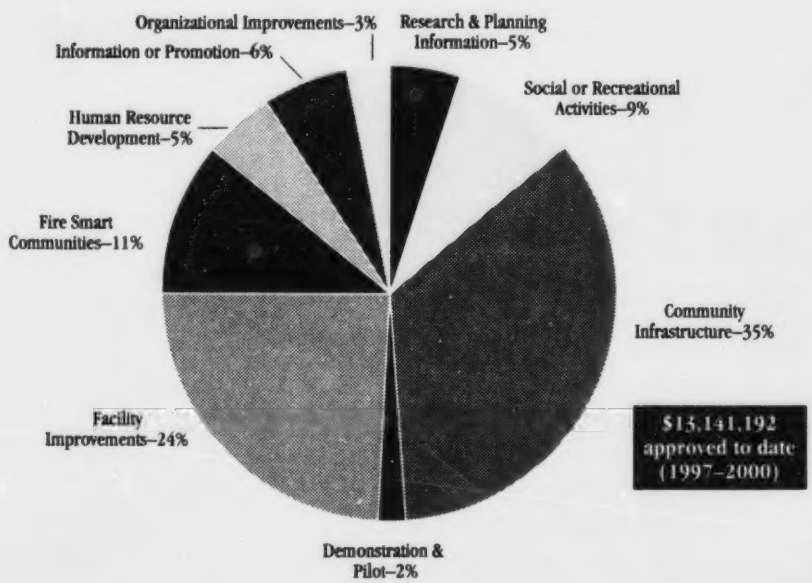
As a result of an acceleration in the payment schedule, our annual investment over the next three years has been set at $2.1 million.

This budget includes $1 million as the first half of a two-year commitment to a new recreation centre in Carmacks.

First half of Carmacks recreation centre project worth $1 million in 2000-2001

Community Development Fund

Breakdown of Funds by Project Type



It also includes $250,000 for renovations to the community recreation centre and $125,000 for a swimming pool roof in Ross River.

We are also increasing the sports and recreation grant to the Yukon Recreation and Arts Council by $70,000 on an ongoing basis.

Some of the other priorities communities told us about, which we are pleased to support in the budget for 2000-2001 include:

- a community bus for Old Crow at a cost of $120,000;
- a major upgrading for the intersection of the Haines and Alaska highways worth $400,000 in the coming year;
- street upgrading in Carcross worth $200,000; and
- a new building for l'Association franco-yukonnaise, financed in part by a territorial contribution of $475,000.

$475,000 toward new building for l'Association franco-yukonnaise

In Old Crow, we are investing $835,000 over the next three years for a new airport terminal building and improvements to the runway apron. The investment in the coming fiscal year is $215,000.

Airport improvements in Old Crow will cost $215,000 in coming year

This budget includes an additional $200,000 for the Whitehorse International Airport, for paving aircraft parking areas.

Work on the new Mayo Road fire hall will also be completed this year, with an investment of $350,000 in the 2000-2001 main estimates.

Fire hall on Mayo Road nearing completion

This budget also includes $350,000 for rural electrification, and $100,000 as a final payment of the Yukon's share of the Community Access Program.

With our vast geography and extreme climate, investing in an extensive system of roads and highways is a major part of the Yukon government's capital spending each year.

In addition to the highway construction projects already mentioned, this budget supports a number of other highway and road projects to improve safety and convenience throughout the territory.

Among others, these include:

- $85,000 to install a bridge on the Nahanni Range Road;
- $101,000 to improve the approaches to the M'Clintock River bridge;
- $295,000 for intersection improvements in various locations along the Alaska Highway;
- $2.3 million for improvements to Hamilton Boulevard and associated sewer main construction; and
- $50,000 to design a pedestrian walkway on the Nisutlin River bridge in Teslin, as the first part of a two year project that would include $450,000 to construct the walkway in 2001-2002.

Bridge and intersection work will improve safety along Alaska Highway

Road upgrading creates jobs, improves rural infrastructure

Over the past two years, our government has substantially increased its investment in upgrading rural roads throughout the territory.

This has provided work for local contractors and other residents in rural communities.

It has also served the important goal of improving transportation infrastructure in rural areas for the benefit of both residents and visitors.

Lot developments support housing options territory-wide

This budget honours our ongoing commitment to this program with $1 million in the 2000-2001 fiscal year.

Another way we are responding to the needs of our communities is by making serviced lots available that support a variety of housing options for Yukon people.

The main estimates for 2000-2001 include a total investment of $1.75 million to develop rural residential and recreational lots throughout the territory.

This includes $420,000 for country residential lots on the road to Mt. Sima, and an additional $880,000 for Whitehorse country residential lots.

As we respond to the demand for residential lots, this budget contains nearly $1.8 million for urban residential lots in Copper Ridge in the coming fiscal year.

This budget also sets aside $500,000 for commercial lots in Whitehorse in 2000-2001, as part of a total investment of $750,000 over the next two years.

Celebrating Who We Are

Mr. Speaker, this is a special year in the Yukon.

Millennium events promise a busy and memorable year

The beginning of a new century – a new millennium – provides an opportunity to celebrate who we are and where we live.

That's why our government established the Yukon Millennium Celebration Fund, with a two-year commitment of $900,000, to help Yukon communities and organizations honour the past, celebrate the present and welcome the future.

The year 2000 promises to be busy and memorable throughout the territory.

Increased contributions to Yukon Arts Centre and Dawson Arts Society

I am pleased to announce a further contribution of $200,000 to the Yukon Arts Centre for its *View From the Top* series of concerts and cultural events.

The arts centre is working in conjunction with several arts organizations and communities to present these exciting events as a way to help Yukon people celebrate the new millennium.

Another example of our support for the arts can be seen in Dawson City, where the old Oddfellows Hall has been refurbished as a community arts centre, with help from the Community Development Fund.

This budget commits an additional $50,000 a year to support the programming of the Dawson Arts Society in the new centre. This will bring our annual contribution to the society to $100,000.

Adding Yukon sculptures to waterfront attractions

We are also contributing $130,000 this year for the Yukon Arts Centre to commission a collection of sculptures by Yukon artists.

These sculptures will be installed on the Whitehorse waterfront to celebrate the new century.

This summer, residents and visitors alike will also be treated to the unusual sight of a trolley car making its way along the bank of the Yukon River.

This project, which we are undertaking in concert with the Miles Canyon Historic Railway Society, will make a significant contribution to the beautification and development of the waterfront area.

Besides providing a pleasant transportation alternative, the trolley will contribute to the local economy by attracting tourists and residents to Main Street and the downtown core.

Trolley will boost downtown core by drawing residents and tourists

Mr. Speaker, Yukon people have many reasons to feel proud and confident as we enter the new millennium.

We have made substantial progress toward completing and implementing land claims and self-government agreements with Yukon First Nations.

Half of these agreements have been completed, and several others are very near conclusion.

It is our hope that the two remaining land claims issues of major substance and complexity – taxation and repayment of loans – will soon be resolved.

Agreements with First Nations nearing completion

One result of this process, which has been going on for over two decades, is new government-to-government relations based on a clear and co-operative sharing of responsibilities.

We have further defined this relationship with new intergovernmental agreements between Yukon and First Nations governments. These help to establish practical ways for our governments to work together.

Devolution symbolizes our coming-of-age

Another major step forward in our development as a society is set to take place on April 1, 2001, when responsibility for Yukon lands and resources is transferred to Yukon hands.

This will virtually complete the devolution of province-like powers to the territory, and give Yukon people more control over their economic and social development.

This will stand for all time as a symbol of our coming-of-age.

Mr. Speaker, as we enter a new century and a new millennium, this truly is an exciting time to live in the Yukon.

It's a time to look with pride on what we have already accomplished together.

It's a time for celebrating who we are and what we have to offer each other and the world.

It's a time to enjoy the special place in which we live.

It's a time to move forward together, confident in our abilities as individuals and as a community.

It is time to tell others what we already know: that we, the people of the Yukon, are taking our place in a changing world.

LONG-TERM CAPITAL PLAN
PROJECT LISTING
($000'S)

The following is a list of capital projects, and their associated expenditures, for the next three years that the government plans to proceed with in those years.

The list is not comprehensive in that there will be many other capital items voted in the latter two years but decisions have yet to be made as to their composition. Similarly, in 2000-01 the "Other Capital Projects" line contains many small projects not separately listed.

	2000-01 Mains			2001-02 Forecast			2002-03 Forecast		
	Gross	Recovery	Net	Gross	Recovery	Net	Gross	Recovery	Net
Community and Transportation Services									
Highway Construction									
Alaska Highway - Shakwak	25,000	25,000	0	25,000	25,000	0	25,000	25,000	0
Alaska Highway - Champagne to Haines Junction	0	0	0	800	0	800	1,000	0	1,000
Alaska Highway - Highway and lighting improvements in Haines Junction	400	0	400	60	0	60	0	0	0
Campbell Highway	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
Tagish Road	750	0	750	750	0	750	1,000	0	1,000
Other Roads	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
Nisutlin Bay Bridge Pedestrian Walkway	50	0	50	450	0	450	0	0	0
Aviation/Yukon Airports									
Old Crow Airport Facility	215	0	215	420	0	420	200	0	200
Whitehorse Airport Water Supply System	995	750	245	1,305	50	1,255	0	0	0
Recreation Facilities									
City of Whitehorse Recreation Facilities	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
Carmacks Recreation Centre	1,000	0	1,000	1,000	0	1,000	0	0	0
Community Services									
Reserve Fund for Dawson City Projects	2,100	0	2,100	2,100	0	2,100	2,100	0	2,100
Public Health/Roads and Streets									
Sewage Treatment and Disposal - Carcross	300	0	300	500	0	500	550	0	550
New Sewage Lagoon - Burwash	100	0	100	200	0	200	50	0	50
Land Development and Central Services									
Whitehorse Industrial	500	500	0	500	500	0	500	500	0
Whitehorse Commercial	500	500	0	250	250	0	0	0	0
Keno City - Residential/Recreational	200	200	0	100	100	0	0	0	0
Haines Junction Country-Residential (Willow Acres)	100	100	0	0	0	0	100	100	0
Whitehorse Country-Residential	880	880	0	100	100	0	650	650	0
Alaska Hwy Country-Residential (Mt. Sima Road)	420	420	0	100	100	0	100	100	0
Hamilton Urban-Residential (Copper Ridge)	4,100	4,100	0	3,500	3,500	0	1,500	1,500	0
Rural Electrification and Telephone	350	350	0	150	150	0	150	150	0
Economic Development									
Community Development Fund	3,000	0	3,000	3,000	0	3,000	3,000	0	3,000
Yukon Mining Incentives Program (YMIP)	506	0	506	506	0	506	506	0	506
Geological Surveys	1,471	680	791	1,471	680	791	1,471	680	791
Resource Assessments	520	0	520	520	0	520	520	0	520
Trade and Investment Fund	750	0	750	750	0	750	750	0	750

LONG-TERM CAPITAL PLAN (Cont'd)
PROJECT LISTING
($000'S)

	2000-01 Mains			2001-02 Forecast			2002-03 Forecast		
	Gross	Recovery	Net	Gross	Recovery	Net	Gross	Recovery	Net
Education									
Ross River School Replacement	2,000	0	2,000	0	0	0	0	0	0
Mayo Community School	5,480	480	5,000	2,200	0	2,200	0	0	0
Tantalus School (Carmacks)	0	0	0	550	0	550	2,300	0	2,300
Yukon College Capital	750	0	750	750	0	750	750	0	750
Training Trust Funds	1,500	0	1,500	1,500	0	1,500	1,500	0	1,500
Government Services									
Rural Telecommunications	1,200	200	1,000	1,200	200	1,000	0	0	0
Technology Innovation Centre	200	0	200	200	0	200	200	0	200
Amortization of Telecommunications	1,700	0	1,700	1,700	0	1,700	1,700	0	1,700
Health and Social Services									
Continuing Care - New Facility	7,935	0	7,935	6,685	0	6,685	1,530	0	1,530
Yukon Hospital Corporation - Equipment	400	0	400	400	0	400	400	0	400
Yukon Hospital Corporation - CT Scan	1,000	0	1,000	0	0	0	0	0	0
Justice									
Correctional Reform - New Facility	1,000	0	1,000	2,000	0	2,000	6,000	0	6,000
Renewable Resources									
Tombstone Interpretive Centre	0	0	0	260	0	260	1,170	0	1,170
Yukon Protected Areas Strategy (YPAS):									
Park System Plan	260	0	260	260	0	260	260	0	260
Resource Assessment	260	0	260	260	0	260	260	0	260
Tourism									
Tourism Marketing Fund	750	0	750	750	0	750	750	0	750
Arts Centre Capital Maintenance and Equipment Replacement	150	0	150	150	0	150	150	0	150
Film Incentive Program	175	0	175	175	0	175	175	0	175
Yukon Housing Corporation									
Repair and Upgrade									
Home Repair Loans/Programs	3,240	2,635	605	3,100	2,635	465	3,100	2,635	465
Energy Management Loans/Programs	270	270	0	270	270	0	270	270	0
Home Ownership									
Mortgage Financing Loans	4,200	4,200	0	4,200	4,200	0	4,200	4,200	0
Owner Build Loans	700	700	0	700	700	0	700	700	0
Home Completion Loans	500	500	0	500	500	0	500	500	0
Mobile Home Initiative Loans	1,650	1,650	0	1,650	1,650	0	1,650	1,650	0
Industry Partnering									
Rental Suite Loans	60	60	0	60	60	0	60	60	0
Joint Venture Loans	1,000	1,000	0	1,000	1,000	0	500	500	0
Mobile Home Park Enhancement Loans	500	500	0	500	500	0	500	500	0
Subtotal	84,087	45,675	38,412	77,552	42,145	35,407	70,772	39,695	31,077
Other Capital Projects	25,493	5,929	19,564			12,593			16,923
Total Capital Projects	**109,580**	**51,604**	**57,976**			**48,000**			**48,000**

GOVERNMENT OF YUKON
PROJECTIONS* ($000'S)

	1999-00 Projected Actual	2000-01 Projected Actual	2001-02 Projected Actual	2002-03 Projected Actual	2003-04 Projected Actual
INCOME:					
Territorial Revenue	$ 73,000	$ 74,500	$ 74,500	$ 73,500	$ 75,000
Canada Health and Social Transfer	17,000	18,000	18,500	18,500	18,500
Transfer from Canada	304,500	299,500	302,000	312,500	322,500
Net Loan Interest	500	500	500	0	0
TOTAL NET INCOME	$ 395,000	$ 392,500	$ 395,500	$ 404,500	$ 416,000
LESS NET EXPENDITURES:					
Net Operation and Maintenance Expenditures	$ 354,000	$ 356,000	$ 364,000	$ 367,000	$ 369,500
Net Capital Expenditures	80,000	58,000	48,000	48,000	48,000
TOTAL NET EXPENDITURES	434,000	414,000	412,000	415,000	417,500
UNADJUSTED SURPLUS (DEFICIT) FOR THE YEAR	$ (39,000)	$ (21,500)	$ (16,500)	$ (10,500)	$ (1,500)
Less: Contingency	0	(6,000)	0	0	0
SURPLUS (DEFICIT) FOR THE YEAR	$ (39,000)	$ (27,500)	$ (16,500)	$ (10,500)	$ (1,500)
ACCUMULATED SURPLUS:					
Accumulated Surplus, Beginning of Year	$ 80,500	$ 53,000	$ 27,500	$ 13,000	$ 4,500
Estimated Lapses	11,500	2,000	2,000	2,000	2,000
Less: Surplus (Deficit) for Year	(39,000)	(27,500)	(16,500)	(10,500)	(1,500)
Accumulated Surplus, End of Year	$ 53,000	$ 27,500	$ 13,000	$ 4,500	$ 5,000

* Figures rounded to nearest one-half-million dollars.

Sources:

Territorial Revenue - YTG Forecast

Canada Health and Social Transfer - Government of Canada Forecast and adjusted by CHST Enhancement in 1999-2000 Federal Budget

Transfer from Canada - Population - Yukon growth based on YTG Forecast - Canadian growth based on historical growth rate

- Formula Escalators - Conference Board of Canada (December 1999 Outlook)

The 2000/01 budget strengthens the economy . . .

Our vision for the territory includes bold steps, in partnership with the community, to develop a new economy that is stronger and more diverse.

This budget contains several initiatives that will increase our ability to compete in the global marketplace, that will help attract investment to the territory, and that will encourage creativity and innovation.

- The territorial rate for investment tax credits through the **Fireweed Fund** (labour-sponsored venture capital fund) is set at 25 per cent. Combined with a 15-per cent federal credit, this could attract a large pool of investment capital to support economic ventures in the Yukon.
- A new **Research and Development Tax Credit** provides a refundable credit of 15-per cent on eligible research and development expenditures. Combined with a 15-per cent federal credit, this will promote ingenuity by supporting local research and development.
- An ongoing commitment of $750,000 in the **Trade and Investment Fund** will help Yukon entrepreneurs develop and market goods and services for export.
- A further investment of $275,000 in the **Technology Innovation Centre** at the Northern Research Institute will support innovative, technology-based economic activity.
- A new **Microloan Program** will assist people who don't qualify for conventional credit to develop their ideas into workable small business ventures. Initial loan limits will be set at $2,000.
- Support for the film and video industry will come from an ongoing investment of $175,000 in the **Film Incentive Program**, plus a one-time investment of $353,000 in specialized film equipment and $40,000 for a guide to Yukon locales.
- The 25-per cent **Small Business Investment Tax Credit** continues, as well as the 22-per cent **Yukon Mineral Exploration Tax Credit**, which runs until March 31, 2001.
- The investment of $100,000 for a technical analysis related to the proposed **Alaska Highway pipeline** shows our support for what would be the largest capital project on Yukon soil, worth $6 billion US.
- An ongoing investment of $1.5 million in **Training Trust Funds** will help ensure trained Yukon workers are available for new economic ventures. As an example, this budget sets aside $200,000 in training support for Minto Resources when its copper mine near Carmacks goes ahead.
- The ***Connect Yukon*** project represents an investment of millions of dollars to make fast and reliable Internet access a reality in rural Yukon.

Budget Fact Sheet

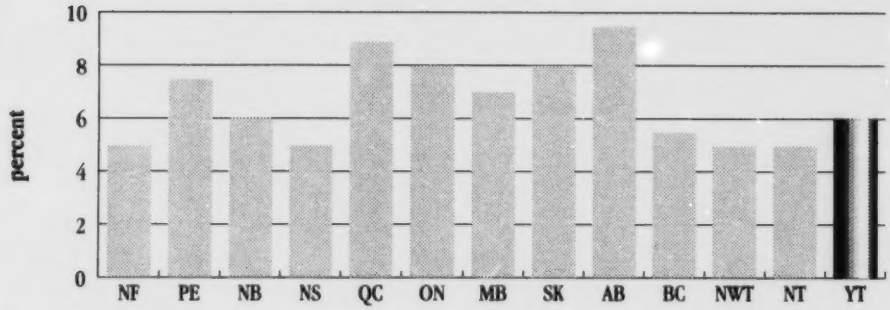
Other recent investments in infrastructure to support economic growth include:

- a major expansion of the Whitehorse Airport facilities;
- a multi-million investment in energy initiatives to keep electricity rates stable;
- a commercial-scale wind turbine and other energy initiatives to reduce dependence on high-cost imported diesel fuels;
- steps to secure long-term access to tidewater port facilities for Yukon exports;
- an annual programs of highway and road improvements, including $25 million this year for the Shakwak project.

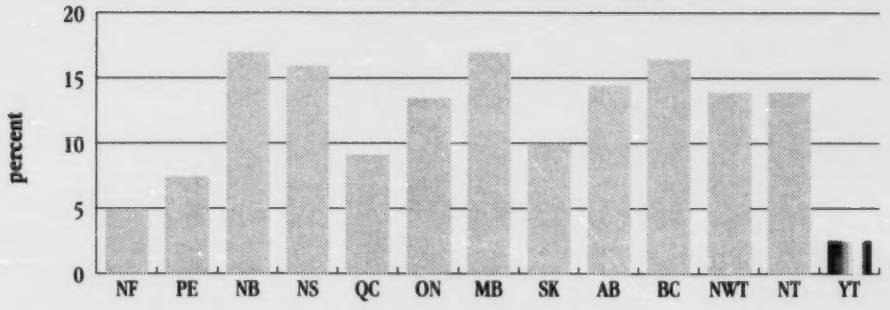
The budget for 2000-2001 also contains $40,000 in ongoing support for the efforts of the Yukon Trappers' Association to market furs harvested in the Yukon.

It also includes an ongoing contribution of $20,000 to help the Yukon Agricultural Association organize the annual Klondyke Harvest Fair, which showcases Yukon agricultural products.

Small Business Rate



Manufacturing and Processing Rate



Budget Fact Sheet

Also available: related fact sheets on Jobs, Tax Cuts and Tourism

The 2000/01 budget creates jobs ...

Every year, our government helps create jobs in a variety of ways, particularly through our annual spending on capital projects. Through careful planning, we have maintained a balanced pattern of capital investments to ensure opportunities for Yukon workers and businesses throughout the territory.

Job-creating building investments in our $58-million capital budget for 2000-2001 include:

- $7.9 million this building season to begin construction of a new continuing care facility in Whitehorse
- $5.5 million to begin construction on a new community school in Mayo
- $2 million to complete construction of the new community school in Ross River
- $1 million to begin construction of a new recreation facility in Carmacks
- $1.5 million as the Yukon's share of a two-year, $2.3-million project to improve water pressure to the Whitehorse Airport area
- a further $1 million toward new recreational facilities in Whitehorse
- $2.1 million as part of our long-term commitment to a recreational centre and sewage treatment project in Dawson City
- $475,000 towards a new building for l'Association franco-yukonnaise
- $350,000 to complete the Mayo Road fire hall
- $250,000 for renovations to the community recreation centre and $125,000 for a swimming pool roof in Ross River

In addition to building construction projects, this budget also supports a number of highway and road improvement projects:

- $25 million this construction season on the Shakwak Highway project
- $2.3 million for improvements to Hamilton Boulevard and associated sewer main construction in Whitehorse;
- $1 million for improvements to the Campbell Highway
- $1 million in the Rural Roads Upgrading Program throughout the territory
- $750,000 to begin improving the Tagish Road

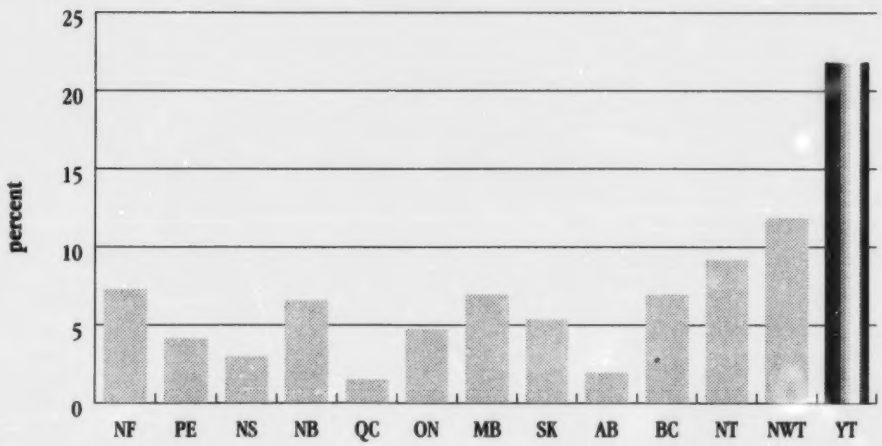
Budget Fact Sheet

- $295,000 for intersection improvements along the Alaska Highway
- $400,000 this year for major upgrading of the intersection of the Haines and Alaska highways
- $215,000 in the coming fiscal year for airport improvements in Old Crow
- $200,000 for paving aircraft parking areas at the Whitehorse International Airport
- $200,000 for street upgrading in Carcross
- $101,000 to improve approaches to the M'Clintock River bridge
- $85,000 to install a bridge on the Nahanni Range Road
- $50,000 to design a pedestrian walkway on the Nisutlin River bridge in Teslin, as part of a two-year, $500,000 project

Some of the many other ways this capital budget supports job-creation include:

- A further $3 million in the Community Development Fund to support community-driven projects
- $1.5 million in Training Trust Funds to help Yukon workers gain the skills they need to take advantage of employment opportunities in a variety of fields
- A further investment of $275,000 in the Technology Innovation Centre to recognize ingenuity and support the development of technology-based products and services
- A further investment of $175,000 in the Yukon Film Incentive Program to attract film and video productions to the territory.

Capital Expenditures
by Jurisdiction
as a percentage of Total Expenditures



Source: Department of Finance, Yukon. For Yukon: 2000–01 Estimates. For all others: 1999–00 budget documents.

Also available: related fact sheets on Strengthening the Economy, Tax Cuts and Tourism

Budget Fact Sheet

The 2000/01 budget cuts taxes ...

Last year, for the first time ever, the Yukon government made significant changes in the territory's tax regime. These changes resulted from a series of tax reform round tables with a variety of organizations.

On the personal tax side, we provided benefits for low-income individuals and families, as well as incentives for seniors and owners of heritage properties. On the corporate side, we offered new incentives for mineral exploration and for investment in Yukon businesses.

The budget for the 2000-2001 fiscal year continues this program of tax reform with several new initiatives, including:

- An across-the-board **cut in personal income tax** paid by all Yukon people.

  During this fiscal year, the territory's personal income tax rate will go down from 50 per cent to 46 per cent of the basic federal income tax payable.

  In 2002, the rate will drop to 44 per cent. This means that all Yukon taxpayers will be paying 12 per cent less in territorial income tax, starting January 1 of that year.

- A new **Yukon Research and Development Tax Credit**, aimed at encouraging local research and promoting ingenuity.

  The territorial rate for eligible investments will be 15 per cent. Combined with a federal credit of 15 per cent, this refundable tax credit will help stimulate economic activity by providing an incentive to invest in innovative work being done in the Yukon.

- The territorial rate for new investment tax credits under the **Fireweed Fund** is now set at 25 per cent.

  With the federal rate of 15 per cent bringing the total tax credit for eligible investments to 40 per cent, this labour-sponsored venture capital fund has the potential to attract a large pool of capital to economic ventures based in the territory.

In an ongoing effort to reform the territory's tax regime, the Yukon government continues to take part in tax round tables with various groups.

Two tables being established are aimed specifically at potential reforms related to mining and forestry, in an attempt to make the tax regime for these two resource sectors as competitive as possible with other jurisdictions.

Budget Fact Sheet

Other tax reform measures introduced in the 1999-2000 budget will continue. They include:

- The **Yukon Mineral Exploration Tax Credit**, which provides a 22-per cent refundable credit on eligible new mineral exploration work in the Yukon. This program continues until March 31, 2001.
- The **Yukon Small Business Investment Tax Credit**, which provides a refundable credit of up to 25% of eligible investments for Yukon people who invest in local businesses.
- The Yukon **Low Income Family Tax Credit**, or LIFT credit, which provides a benefit of up to $300 for people with less than $25,000 in net annual income.
- The **Yukon Child Benefit**, which is administered through the income tax system, provides up to $300 a year per child for families with a net annual income below $16,700.

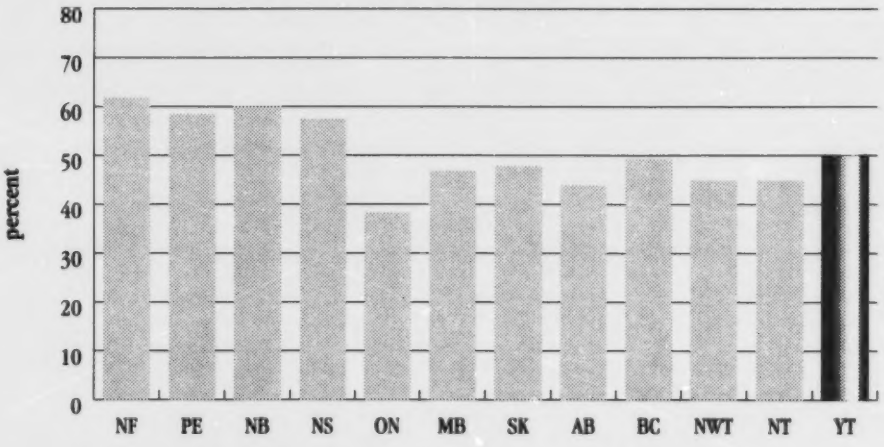
  About 1,300 Yukon families representing 2,500 children are now receiving monthly benefits from this program.
- The **Heritage Property Tax Exemption** provides an exemption from property taxes for owners of designated historical sites on property that falls within Yukon government taxing authority.

  In this sitting, the government intends to introduce legislation that will recognize in law an exemption that has been just policy since it was introduced in the 1999-2000 budget.
- The **Seniors' Property Tax Deferment** allows seniors to defer all or part of their annual property tax until the property is sold or changes title, or until the owner chooses to start paying at a later date.

  To be eligible, the property must be within the taxing authority of the Yukon government.

Personal Income Tax Basic Rates

(% of Basic Federal Tax)



Note: Yukon PIT will drop to 46% on January 1, 2001 and 44% on January 1, 2002.

Also available: related fact sheets on Jobs, Tourism and Strengthening the Economy

Budget Fact Sheet

The 2000/01 budget strengthens Yukon families ...

Our vision for the territory's future includes a promise to work with communities and families to provide services that enable Yukon people to live with dignity and support each other in times of economic and social difficulties.

New financial commitments in this year's budget include:

- an across-the-board cut in personal income tax paid by all Yukon people. During this fiscal year, the territory's personal income tax rate will go down from 50 to 46 per cent of the basic federal income tax payable.

  On January 1, 2002, the rate will drop to 44 per cent. This means that all Yukon taxpayers will be paying 12 per cent less in territorial income tax by 2002.

- an ongoing allocation of $200,000 to support the first increase in Social Assistance rates since 1991
- $70,000 a year in tuition support to encourage people receiving Social Assistance benefits to take part-time training programs at Yukon College
- a 10 per cent increase in the general training allowance, with an annual investment of $150,000
- $30,000 more per year for the Food for Learning school nutrition program
- $50,000 for a Yukon-wide Social Justice Forum later this year
- the Low Income Family Tax Credit, or LIFT credit, will continue to provide benefit of up to $300 a year for people with less than $25,000 in net annual income
- the Yukon Child Benefit, which provides up to $300 a year per child for families with a net income below $16,700, will also continue
- a further $150,000 for the Reading Recovery program, which is proving successful at helping school-aged children
- a new Microloan Program to provide loans of up to $2,000 for people who want to improve their economic situation by developing their good ideas into workable small business ventures, but who don't qualify for conventional credit
- an ongoing of $125,000 a year in the annual contribution to the legal aid program, to expand the ability of the legal aid service to deal with civil matters such as custody and maintenance issues
- an increase of $50,000 a year in the contribution to the Victoria Faulkner Women's Centre to support its work on behalf of women in need

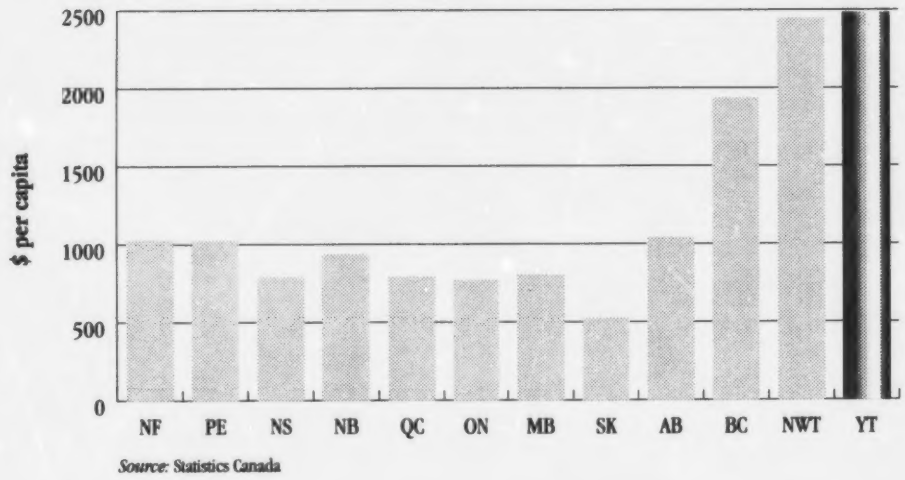
Budget Fact Sheet

- over $5 million a year to support child care through operating grants and direct subsidies to Yukon families
- $300,000 for the Community Addictions Treatment Fund
- $1 million for further development work on a facility to replace the Whitehorse Correctional Centre
- a total of $1.5 million in this budget to help people deal with the legal system
- $60,000 for the Kids' Recreation Fund, which will continue in future years
- $350,000 in Youth Strategy initiatives in 2000-2001 including Youth Leadership Programs
- $5.5 million to begin construction of the replacement for the J.V. Clark school in Mayo
- $2 million to complete construction of the new community school in Ross River
- $300,000 during 2000-2001 for the education component of the *Connect Yukon* technology project
- $2.5 million in student grants and scholarships.
- increased funding to Yukon College to a total of $11.3 million a year

1998-99 Expenditures on Primary and Secondary Education

by Jurisdiction

per capita Expenditures



Source: Statistics Canada

Budget Fact Sheet

Also available: related fact sheets on Strengthening Health Care and Tax Cuts

The 2000/01 budget strengthens health care ...

Our vision for the territory's future includes a promise to protect the priceless legacy of our universal, publicly-funded health care system.

New financial commitments in this year's budget include:

- over $7.9 million in the coming fiscal year to begin construction of a new 96-bed continuing care facility in Whitehorse this summer
- $1.4 million to buy and operate a computerized tomography unit, better known as a CAT scan, for the Whitehorse General Hospital
- $50,000 for a Health Summit 2000, focussing on how to prevent illness by promoting healthier lifestyle choices
- a further $150,000 in the Healthy Families Initiative to help meet the needs of children at risk, such as those with Fetal Alcohol Syndrome and Fetal Alcohol Effects
- $30,000 more a year for the Handi Bus service in Whitehorse for people with disabilities, bringing the annual total to $214,000
- an ongoing contribution of $300,000 for the Community Addictions Treatment Fund
- an increase of $30,000 per year for the Food for Learning program

Budget Fact Sheet

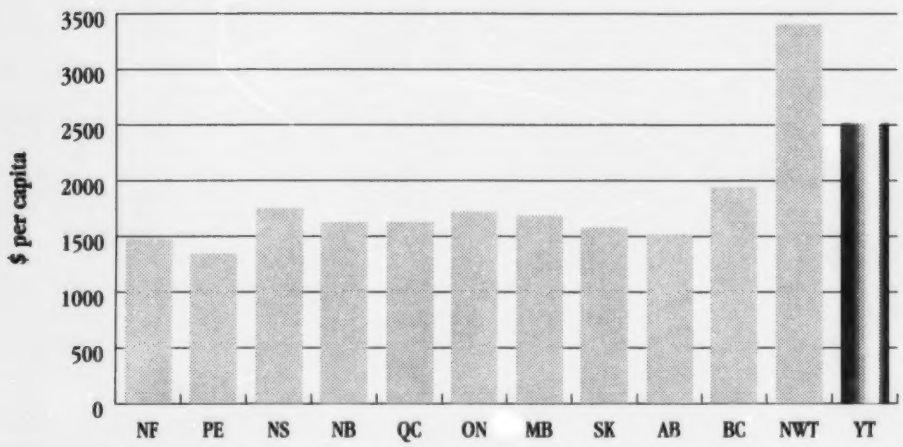
The budget also demonstrates our continuing support for a wide variety of other recent health initiatives such as:

- seven additional extended-care beds at the Thomson Centre
- $157,000 for community projects under the Health Investment Fund
- diabetes education projects
- Children's Drug and Optical Program
- expanded Home Care services, including extended weekend and evening hours
- expanded dental and optical benefits for seniors

1998-99 Expenditures on Health

by Jurisdiction

per capita Expenditures



Source: Statistics Canada

Budget Fact Sheet

Also available: related fact sheets on Strengthening Yukon Families and Tax Cuts

The 2000/01 budget protects our natural and cultural heritage ...

Our vision includes an unequivocal promise to protect all 23 of the Yukon's distinct ecoregions for future generations. We are also committed to working with community groups to encourage more widespread awareness of environmental and preservation issues, advocating practical steps to protect our natural and cultural legacy.

The 2000/01 budget reflects these commitments with support for new and ongoing programs.

- Tombstone Territorial Park – the Tombstone Steering Committee will develop a management plans during the next year, with opportunities for public input
- Fishing Branch Protected Area – the Northern Yukon Local Planning Team will also work on proposals for a management plan over the next year
- Yukon Protected Areas Strategy – $260,000 for park system planning, and $260,000 for resource assessments related to the implementation of the strategy
- $100,000 to assist Yukon recycling organizations towards implementing a territory-wide recycling program
- a further $75,000 in the Climate XChange program to help understand the impact of global warming on the fragile northern environment
- $200,000 to the municipality of Haines Junction for a one-year pilot project in solid waste compacting
- $300,000 for the development of sewage treatment and disposal facilities in Carcross, part of a three-year investment totalling $1.4 million
- $100,000 in 2000-2001 toward construction of the sewage lagoon in Burwash Landing, with a further $250,000 during the following two fiscal years
- $150,000 to combat riverbank erosion on the Porcupine River in Old Crow
- new initiatives under the Green Power fund, such as projects in co-generation and waste-heat recovery, made possible by a $3 million contribution from the Yukon government
- $2 million commercial-scale wind turbine to be erected on Haeckel Hill

Budget Fact Sheet

- $6,000 as a contribution to the Environmental Citizenship Program sponsored by the Environmental Education Association of the Yukon, and $4,000 for Yukon teachers to prepare case studies for next year's conference of the Canadian Network for Environmental Education and Communication in Whitehorse
- $1.9 million in the coming year for museums, historic sites and heritage resources, an increase of $400,000 over the current year
- $50,000 more for the Rampart House restoration project on the Porcupine River, and $300,000 for enhancements to other heritage sites around the territory
- a $25,000 increase in the annual contribution to the Yukon Museums and Historical Society

Budget Fact Sheet

Also available: related fact sheet on Strengthening Rural Yukon

The 2000/01 budget strengthens our communities . . .

Our vision for the territory includes a promise to continue our good record in supporting Yukon communities.

The budget outlines practical ways that we work in partnership with communities to identify and respond to local needs.

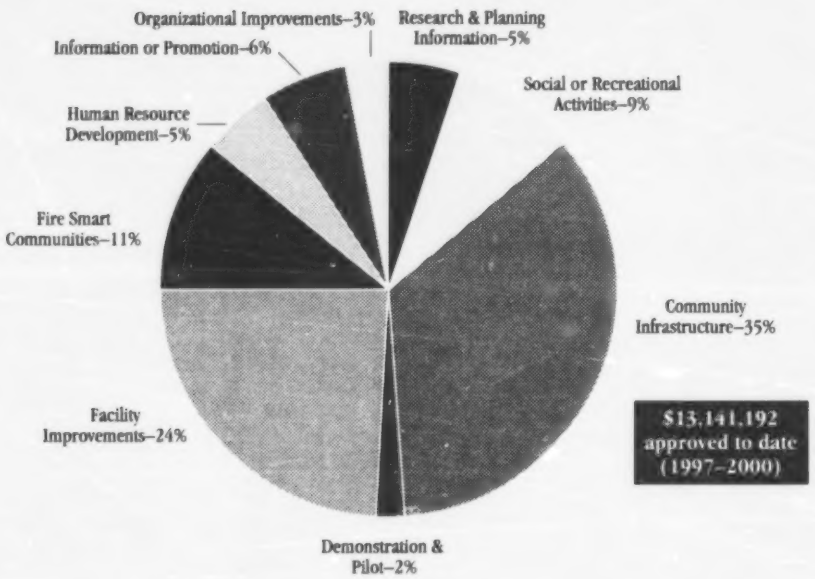
- $3 million investment in the Community Development Fund, including support for the Fire Smart program
- $1 million for the Rural Roads Upgrading Program, with a commitment to continue it for the next three years
- $232,000 as an annual increase of two per cent in the comprehensive municipal grant
- $25,000 more for the annual grant to the Association of Yukon Communities, for a total of $100,000
- $2.9 million this year, with a total of over $14.5 million in public funds for the *Connect Yukon* project to supply communications infrastructure throughout the territory
- $200,000 to the municipality of Haines Junction for a one-year pilot project in solid waste compacting
- $1 million again this year for the new City of Whitehorse swimming pool, which will break ground this year
- $2.1 million for Dawson City capital projects, increasing our long-term commitment for capital projects from $9 million to $10.4 million
- $50,000 a year to support programming at the new Dawson Arts Society centre
- $1 million as the first half of a two-year commitment to a new recreation centre in Carmacks
- $250,000 for repairs to the community recreation centre and $125,000 for a swimming pool roof in Ross River
- $70,000 more per year for sports and recreation grants available through the Yukon Recreation and Arts Council
- a new community bus for Old Crow at a cost of $120,000
- $400,000 for major upgrading for the intersection of the Haines and Alaska highways in Haines Junction
- $200,000 for upgrading streets in Carcross
- $835,000 over the next three years for a new Old Crow airport terminal building and improvements to the runway apron, with $215,000 this year

Budget Fact Sheet

- $350,000 for completing the new Mayo Road fire hall
- $85,000 to install a bridge on the Nahanni Range Road
- $101,000 to improve the approaches to the M'Clintock River bridge
- $295,000 for intersection improvements in various locations along the Alaska Highway
- $2.3 million for improvements to Hamilton Boulevard in Whitehorse and associated sewer main construction
- $50,000 to design a pedestrian walkway over the Nisutlin River bridge in Teslin as part of a two-year project worth $500,000
- $1.75 million to develop rural residential and recreational lots throughout the territory, including $420,000 for country residential lots on the road to Mt. Sima and $880,000 for other Whitehorse area country residential lots
- $350,000 for rural electrification
- $100,000 as a final payment of the Yukon's share of the Community Access Program

Community Development Fund

Breakdown of Funds by Project Type



Budget Fact Sheet

Also available: related fact sheets on Strengthening the Economy and Creating Jobs

The 2000/01 budget strengthens tourism ...

One of the Yukon's strongest areas of economic growth in recent years has been the tourism sector. A new Tourism Strategy, developed through extensive consultation with Yukon people, is almost completed. The strategy will guide development of this important industry into the new millennium.

The Yukon offers wilderness experiences without equal, a richness of history and cultural diversity, warm hospitality and a variety of enjoyable events and activities throughout the year. Our vision for the territory includes expanded opportunities to attract visitors.

The budget for 2000-2001 includes many investments in support of that vision. They include:

- $250,000 more a year for overall tourism marketing, with $50,000 set aside for increased marketing of the Campbell Region near Ross River and Faro
- $300,000 a year for marketing initiatives aimed at the Asia-Pacific region
- an additional $75,000 a year toward enhanced marketing in Europe
- $300,000 over the next two years for Tourism Yukon's program of co-operative marketing partnerships with industry
- a further investment of $750,000 in the Tourism Marketing Fund, to help Yukon tourism operators and organizations market their products outside the territory
- a change in Tourism Marketing Fund criteria, allowing organizers of significant tourism events such as the Yukon Quest, the Sourdough Rendezvous, or summer festivals, to apply for long-term support for their activities
- $30,000 more annually to enhance the work of the Tourism Industry Association of the Yukon on behalf of the industry
- ongoing support for industry organizations such as the Yukon Convention Bureau Society, the Alaska Tourism Marketing Council and the Wilderness Tourism Association of Yukon
- a total investment of more than $6 million in tourism marketing over the coming year.

This budget also includes other initiatives to promote awareness of the Yukon abroad and attract more visitors, with increased economic opportunities for Yukon people. These new measures include:

- $60,000 to establish a student Trade Ambassador Program, through which post-secondary students would get work experience here and overseas, helping Yukon companies identify international opportunities in Asia and elsewhere

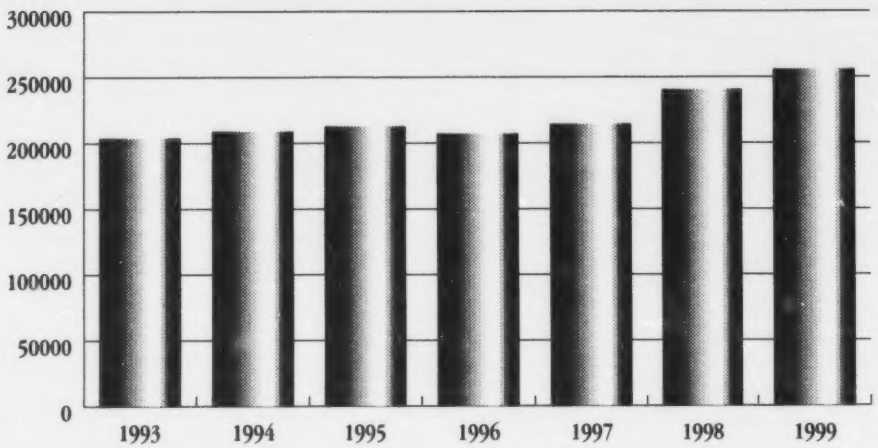
Budget Fact Sheet

- $50,000 for Tourism Yukon to explore the business potential of attracting overseas students to come here and combine English-language studies with adventure tourism throughout the territory
- $100,000 for a contribution agreement to help Yukon College pursue other revenue-generating opportunities serving students from the circumpolar region and elsewhere

The Yukon government's investment in improved facilities at the Whitehorse International Airport includes an additional amount of $200,000 in the coming year for paving aircraft parking areas.

Our multi-year investment in airport improvements is already bearing fruit in the form of direct flights from Europe by three charter airlines this summer – two more than last year.

Annual Non-Yukon Resident Border Crossing



Source: Yukon Bureau of Statistics

Budget Fact Sheet

Also available: related fact sheets on Strengthening the Economy, Jobs and Tax Cuts

SUPPLEMENTARY INFORMATION

2000 - 01

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FINANCIAL SUMMARY
($000'S)

	2000-01 ESTIMATE	1999-00 FORECAST	% CHANGE	1998-99 ACTUAL
INCOME:				
Territorial Revenue	**74,770**	73,118	2%	74,969
Canada Health and Social Transfer	**18,005**	17,001	6%	20,442
Established Programs Financing	**0**	0	0%	502
Transfer from Canada	**299,271**	304,521	-2%	349,678
Recoveries	**89,070**	78,548	13%	56,564
TOTAL INCOME	**481,116**	473,188	2%	502,155
LESS EXPENDITURES:				
Operation and Maintenance	**392,801**	391,422	0%	373,447
Capital	**109,580**	120,560	-9%	100,293
Loan Interest	**386**	397	-3%	429
TOTAL EXPENDITURES	**502,767**	512,379	-2%	474,169
UNADJUSTED SURPLUS (DEFICIT) FOR THE YEAR	**(21,651)**	(39,191)		27,986
ADJUSTMENTS:				
Plus: Recoveries of Prior Years' Expenditures	**0**	0		169
Plus: Items transferred to Balance Sheet	**0**	0		1,749
Less: Contingency	**5,900**	0		0
SURPLUS (DEFICIT) FOR THE YEAR *	**(27,551)**	(39,191)		29,904

* The estimated unconsolidated accumulated surplus of the Government for March 31, 2001 is as follows (in $ thousands):

Accumulated Surplus, March 31, 1999 (excludes Special Operating Agency income)	80,409
Plus: Forecast Annual Deficit for 1999-00	(39,191)
Forecast Accumulated Surplus, March 31, 2000	41,218
Plus: Estimated Annual Deficit for 2000-01	(27,551)
Estimated Accumulated Surplus, March 31, 2001	**13,667**

In the 1999-00 Estimates, the estimated accumulated surplus at March 31, 2000 was $27.944 million.

FINANCIAL SUMMARY (Cont'd)

($000'S)	2000-01 ESTIMATE	1999-00 FORECAST	% CHANGE	1998-99 ACTUAL
NET BUDGETARY EXPENDITURES:				
OPERATION AND MAINTENANCE:				
Gross Budgetary Expenditures	**392,801**	391,422	0%	373,447
Less: Recoveries	**36,676**	37,189	-1%	34,080
NET O & M EXPENDITURES	**356,125**	354,233	1%	339,367
CAPITAL:				
Gross Budgetary Expenditures	**109,580**	120,560	-9%	100,293
Less: Recoveries	**51,604**	40,585	27%	21,582
NET CAPITAL EXPENDITURES	**57,976**	79,975	-28%	78,711
LOAN INTEREST:				
Gross Budgetary Expenditures	**386**	397	-3%	429
Less: Recoveries	**790**	774	2%	902
NET LOAN INTEREST	**(404)**	(377)	7%	(473)
TOTAL BUDGETARY EXPENDITURES:				
Gross Budgetary Expenditures	**502,767**	512,379	-2%	474,169
Less: Recoveries	**89,070**	78,548	13%	56,564
NET BUDGETARY EXPENDITURES	**413,697**	433,831	-5%	417,605
NET NON-BUDGETARY EXPENDITURES:				
LOAN PRINCIPAL:				
Gross Expenditures	**88**	123	-28%	331
Less: Recoveries	**1,680**	1,055	59%	1,572
NET LOAN PRINCIPAL	**(1,592)**	(932)	71%	(1,241)
LOAN CAPITAL:				
Gross Expenditures	**5,000**	5,000	0%	890
Less: Recoveries	**5,000**	5,000	0%	890
NET LOAN CAPITAL	**0**	0	0%	0

FINANCIAL SUMMARY
($000'S)

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FINANCIAL SUMMARY (Cont'd)

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Less: Recoveries	**5,000**	5,000	0%	890
NET LOAN CAPITAL	**0**	0	0%	0

BUDGETARY INCOME SUMMARY BY SOURCE
($000'S)

SOURCE	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
TERRITORIAL REVENUE						
	$	**%**	**$**	**%**	**$**	**%**
TAX REVENUE						
Personal Income Tax	**34,068**	**7.1**	34,502	7.3	32,841	6.5
Corporate Income Tax	**8,746**	**1.8**	6,195	1.3	9,588	1.9
Property Tax	**2,200**	**0.5**	2,186	0.5	2,292	0.5
Grant-in-Lieu of Property Tax	**235**	**0.0**	255	0.1	207	0.0
Fuel Oil Tax - Diesel	**2,325**	**0.5**	2,328	0.5	2,256	0.4
Fuel Oil Tax - Other	**4,085**	**0.8**	4,088	0.9	4,261	0.8
Insurance Premium Tax	**780**	**0.2**	778	0.2	856	0.2
Tobacco Tax	**5,245**	**1.1**	5,377	1.1	5,220	1.0
Liquor Tax	**2,106**	**0.4**	2,130	0.5	2,223	0.4
TOTAL TAX REVENUE	**59,790**	**12.4**	57,839	12.2	59,744	11.9
OTHER REVENUE						
Liquor Profit	**4,745**	**1.0**	4,845	1.0	5,003	1.0
Investment Income and Other Interest	**1,090**	**0.2**	1,179	0.2	1,733	0.3
Licenses, Fees, Registrations and Permits:						
Motor Vehicle	**2,606**	**0.5**	2,835	0.6	2,671	0.5
Game and Campground	**831**	**0.2**	869	0.2	861	0.2
Business and Professional	**662**	**0.1**	662	0.1	721	0.1
Other	**820**	**0.2**	752	0.2	696	0.1
Resource Revenues	**2,900**	**0.6**	2,800	0.6	2,089	0.4
Public Utilities Income Tax Transfer	**0**	**0.0**	0	0.0	117	0.0
Fines	**485**	**0.1**	485	0.1	436	0.1
Gain on Sale of Lots	**0**	**0.0**	0	0.0	59	0.0
Aviation Operations	**723**	**0.2**	723	0.2	702	0.1
Miscellaneous	**118**	**0.0**	129	0.0	137	0.0
TOTAL OTHER REVENUE	**14,980**	**3.1**	15,279	3.2	15,225	3.0
Subtotal Territorial Revenue	**74,770**	**15.5**	73,118	15.5	74,969	14.9
FEDERAL TRANSFERS						
Canada Health and Social Transfer	**18,005**	**3.7**	17,001	3.6	20,442	4.1
Established Programs Financing	**0**	**0.0**	0	0.0	502	0.1
Transfer from Canada	**299,271**	**62.2**	304,521	64.4	349,678	69.6
Subtotal Federal Transfers	**317,276**	**65.9**	321,522	67.9	370,622	73.8

BUDGETARY INCOME SUMMARY BY SOURCE (CONT'D)
($000'S)

SOURCE	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
RECOVERIES	**$**	**%**	**$**	**%**	**$**	**%**
Government of Canada						
Alaska Highway	**25,000**	**5.2**	19,050	4.0	10,131	2.0
Yukon Housing Corporation	**4,610**	**1.0**	4,610	1.0	4,491	0.9
Child Welfare	**5,326**	**1.1**	5,326	1.1	5,326	1.1
Aboriginal Language Services	**1,100**	**0.2**	1,100	0.2	1,083	0.2
French Language Services	**1,614**	**0.3**	1,518	0.3	1,076	0.2
French Language Programs	**1,166**	**0.2**	995	0.2	820	0.2
Land Claims Implementation	**3,588**	**0.7**	4,284	0.9	2,991	0.6
Devolution - Transitional Funding	**1,000**	**0.2**	1,000	0.2	0	0.0
Geological Surveys	**680**	**0.1**	711	0.2	680	0.1
Young Offenders	**1,206**	**0.3**	1,191	0.3	969	0.2
Airports	**1,305**	**0.3**	1,287	0.3	1,131	0.2
Inuvialuit Final Agreement	**760**	**0.2**	760	0.2	790	0.2
Legal Aid	**505**	**0.1**	505	0.1	498	0.1
Other	**6,416**	**1.3**	7,009	1.5	5,747	1.1
	54,276	**11.3**	49,346	10.4	35,733	7.1
Other Recoveries						
Yukon Housing Corporation	**19,051**	**4.0**	17,214	3.6	10,483	2.1
Land Development	**7,255**	**1.5**	4,266	0.9	2,162	0.4
Reciprocal Billing	**1,345**	**0.3**	1,495	0.3	1,367	0.3
Loan Interest Recovery	**790**	**0.2**	774	0.2	902	0.2
Other	**6,353**	**1.3**	5,453	1.2	5,917	1.2
	34,794	**7.2**	29,202	6.2	20,831	4.1
Subtotal Recoveries	**89,070**	**18.5**	78,548	16.6	56,564	11.3
TOTAL BUDGETARY INCOME (Total Territorial Revenue, Federal Transfers and Recoveries)	**481,116**	**100.0**	473,188	100.0	502,155	100.0

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Miscellaneous	**118**	**0.0**	129	0.0	137	0.0
TOTAL OTHER REVENUE	**14,980**	**3.1**	15,279	3.2	15,225	3.0
Subtotal Territorial Revenue	**74,770**	**15.5**	73,118	15.5	74,969	14.9
FEDERAL TRANSFERS						
Canada Health and Social Transfer	**18,005**	**3.7**	17,001	3.6	20,442	4.1
Established Programs Financing	**0**	**0.0**	0	0.0	502	0.1
Transfer from Canada	**299,271**	**62.2**	304,521	64.4	349,678	69.6
Subtotal Federal Transfers	**317,276**	**65.9**	321,522	67.9	370,622	73.8

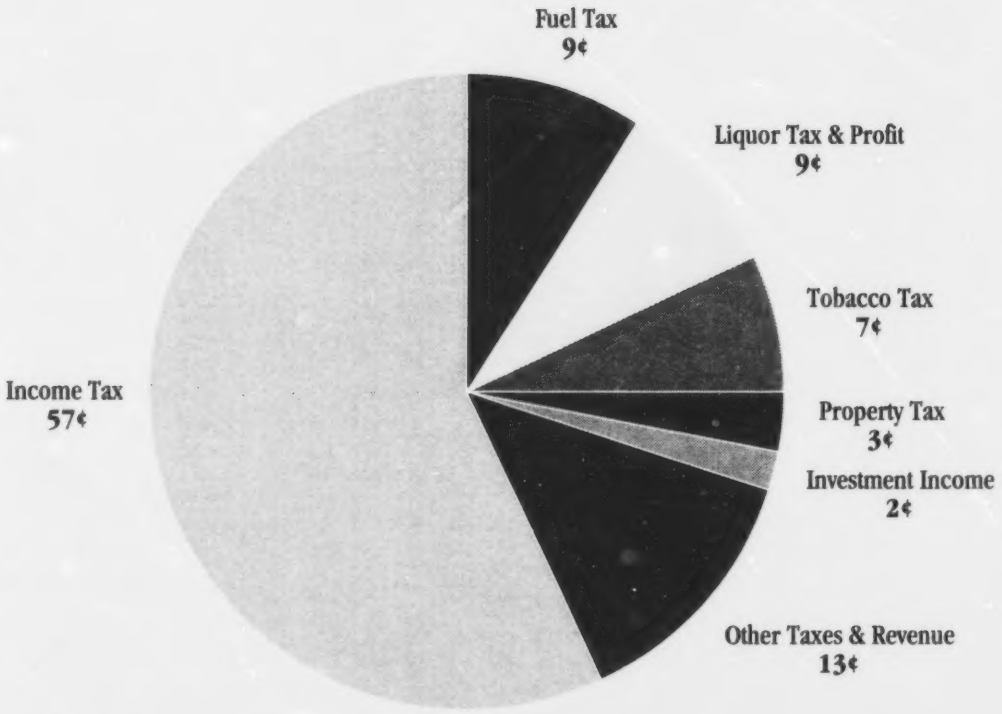
BUDGETARY INCOME SUMMARY BY SOURCE (CONT'D)
($000'S)

SOURCE	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
RECOVERIES	**$**	**%**	**$**	**%**	**$**	**%**
Government of Canada						
Alaska Highway	**25,000**	**5.2**	19,050	4.0	10,131	2.0
Yukon Housing Corporation	**4,610**	**1.0**	4,610	1.0	4,491	0.9
Child Welfare	**5,326**	**1.1**	5,326	1:1	5,326	1.1
Aboriginal Language Services	**1,100**	**0.2**	1,100	0.2	1,083	0.2
French Language Services	**1,614**	**0.3**	1,518	0.3	1,076	0.2
French Language Programs	**1,166**	**0.2**	995	0.2	820	0.2
Land Claims Implementation	**3,588**	**0.7**	4,284	0.9	2,991	0.6
Devolution - Transitional Funding	**1,000**	**0.2**	1,000	0.2	0	0.0
Geological Surveys	**680**	**0.1**	711	0.2	680	0.1
Young Offenders	**1,206**	**0.3**	1,191	0.3	969	0.2
Airports	**1,305**	**0.3**	1,287	0.3	1,131	0.2
Inuvialuit Final Agreement	**760**	**0.2**	760	0.2	790	0.2
Legal Aid	**505**	**0.1**	505	0.1	498	0.1
Other	**6,416**	**1.3**	7,009	1.5	5,747	1.1
	54,276	**11.3**	49,346	10.4	35,733	7.1
Other Recoveries						
Yukon Housing Corporation	**19,05[illegible]**	**4.0**	17,214	3.6	10,483	2.1
Land Development	**7,255**	**1.5**	4,266	0.9	2,162	0.4
Reciprocal Billing	**1,345**	**0.3**	1,495	0.3	1,367	0.3
Loan Interest Recovery	**790**	**0.2**	774	0.2	902	0.2
Other	**6,353**	**1.3**	5,453	1.2	5,917	1.2
	34,794	**7.2**	29,202	6.2	20,831	4.1
Subtotal Recoveries	**89,070**	**18.5**	78,548	16.6	56,564	11.3
TOTAL BUDGETARY INCOME (Total Territorial Revenue, Federal Transfers and Recoveries)	**481,116**	**100.0**	473,188	100.0	502,155	100.0

Government of Yukon

Territorial Revenue by Source

2000–01



Note: Represents the portion by source of each dollar of locally raised revenue.

OPERATION AND MAINTENANCE AND CAPITAL RECOVERIES
SUMMARY BY DEPARTMENT/CORPORATION
($000'S)

DEPARTMENT/CORPORATION	O & M 2000-01 ESTIMATE	O & M 1999-00 FORECAST	CAPITAL 2000-01 ESTIMATE	CAPITAL 1999-00 FORECAST
Yukon Legislative Assembly	**0**	0	**0**	0
Executive Council Office	**6,930**	7,742	**388**	363
Community and Transportation Services	**2,831**	3,062	**33,405**	24,419
Economic Development	**80**	70	**930**	961
Education	**1,624**	1,453	**513**	55
Finance	**6**	6	**0**	0
Government Services	**177**	177	**1,375**	1,130
Health and Social Services	**13,667**	13,710	**0**	122
Justice	**1,410**	1,258	**3**	0
Public Service Commission	**45**	45	**0**	0
Renewable Resources	**771**	770	**219**	312
Tourism	**240**	268	**0**	22
Women's Directorate	**0**	0	**0**	0
Yukon Housing Corporation	**8,890**	8,623	**14,771**	13,201
Office of the Ombudsman	**5**	5	**0**	0
Elections Office	**0**	0	**0**	0
Total Recoveries	**36,676**	37,189	**51,604**	40,585

OPERATION AND MAINTENANCE AND CAPITAL RECOVERIES
SUMMARY BY DEPARTMENT/CORPORATION
($000'S)

DEPARTMENT/CORPORATION	O & M 2000-01 ESTIMATE	O & M 1999-00 FORECAST	CAPITAL 2000-01 ESTIMATE	CAPITAL 1999-00 FORECAST
Yukon Legislative Assembly	**0**	0	**0**	0
Executive Council Office	**6,930**	7,742	**388**	363
Community and Transportation Services	**2,831**	3,062	**33,405**	24,419
Economic Development	**80**	70	**930**	961
Education	**1,624**	1,453	**513**	55
Finance	**6**	6	**0**	0
Government Services	**177**	177	**1,375**	1,130
Health and Social Services	**13,667**	13,710	**0**	122
Justice	**1,410**	1,258	**3**	0
Public Service Commission	**45**	45	**0**	0
Renewable Resources	**771**	770	**219**	312
Tourism	**240**	268	**0**	22
Women's Directorate	**0**	0	**0**	0
Yukon Housing Corporation	**8,890**	8,623	**14,771**	13,201
Office of the Ombudsman	**5**	5	**0**	0
Elections Office	**0**	0	**0**	0
Total Recoveries	**36,676**	37,189	**51,604**	40,585

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES

February, 2000

	PERSONAL INCOME TAX		CORPORATE INCOME TAX		COMMODITY TAXES			
	BASIC RATE	HIGH INCOME SURCHARGE	GENERAL RATE	SMALL BUSINESS	RETAIL SALES	TOBACCO TAX	UNLEADED GASOLINE	DIESEL FUEL
	%	% [B]	%	%	%	¢/25 cigs	¢/litre	¢/litre
Newfoundland	62.0	6.0/10.0	14.00	5.00	8.0 [E]	275.0	16.5	16.5
Prince Edward Island	58.5	10.0	16.00	7.50	10.0	165.6	13.0	13.5
New Brunswick	60.0	8.0	17.00	6.00	8.0 [E]	103.8	10.7	13.7
Nova Scotia	57.5	10.0	16.00	5.00	8.0 [E]	120.5	13.5	15.4
Quebec	-- [A]	0.3	8.90 [C]	8.90	7.5	107.5	15.2	16.2
Ontario	38.5	20.0/36.0	15.50	8.00 [D]	8.0	66.3	14.7	14.3
Manitoba	47.0	2.0	17.00	7.00	7.0	200.0	11.5	10.9
Saskatchewan	48.0	10.0/15.0	17.00	8.00	6.0	215.0	15.0	15.0
Alberta	44.0	--	15.50	9.50	--	175.0	9.0	9.0
British Columbia	49.5	30.0/15.0	16.50	5.50	7.0	275.0	11.0	11.5
Northwest Territories	45.0	--	14.00	5.00	--	315.0	10.7	9.1
Nunavut	45.0	--	14.00	5.00	--	315.0	10.7	9.1
Yukon	**49.0** [F]	**5.0**	**15.00** [(x)]	**6.00**	**--**	**205.0**	**6.2**	**7.2**

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES

February, 2000

	PERSONAL INCOME TAX		CORPORATE INCOME TAX		COMMODITY TAXES			
	BASIC RATE	HIGH INCOME SURCHARGE	GENERAL RATE	SMALL BUSINESS	RETAIL SALES	TOBACCO TAX	UNLEADED GASOLINE	DIESEL FUEL
	%	% [B]	%	%	%	¢/25 cigs	¢/litre	¢/litre
Newfoundland	62.0	6.0/10.0	14.00	5.00	8.0 [E]	275.0	16.5	16.5
Prince Edward Island	58.5	10.0	16.00	7.50	10.0	165.6	13.0	13.5
New Brunswick	60.0	8.0	17.00	6.00	8.0 [E]	103.8	10.7	13.7
Nova Scotia	57.5	10.0	16.00	5.00	8.0 [E]	120.5	13.5	15.4
Quebec	-- [A]	0.3	8.90 [C]	8.90	7.5	107.5	15.2	16.2
Ontario	38.5	20.0/36.0	15.50	8.00 [D]	8.0	66.3	14.7	14.3
Manitoba	47.0	2.0	17.00	7.00	7.0	200.0	11.5	10.9
Saskatchewan	48.0	10.0/15.0	17.00	8.00	6.0	215.0	15.0	15.0
Alberta	44.0	--	15.50	9.50	--	175.0	9.0	9.0
British Columbia	49.5	30.0/15.0	16.50	5.50	7.0	275.0	11.0	11.5
Northwest Territories	45.0	--	14.00	5.00	--	315.0	10.7	9.1
Nunavut	45.0	--	14.00	5.00	--	315.0	10.7	9.1
Yukon	**49.0** [F]	**5.0**	**15.00** (x)	**6.00**	**--**	**205.0**	**6.2**	**7.2**

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES

Notes to Table:

A) Quebec levies its own personal income tax rate on taxable income. All other jurisdictions levy their personal income tax rate on basic federal tax.

B) Manitoba and Saskatchewan levy a flat tax of 2% on net income and Alberta, 0.5%, on taxable income. (Alberta's flat tax will be eliminated January 1, 2001.) Manitoba also levies a surtax of 2% if net income is over $30,000.

The following jurisdictions levy a surcharge on provincial/territorial personal income tax:

Newfoundland, 6% of provincial tax payable in excess of $250 and
10% of provincial tax in excess of $7,050;
Prince Edward Island, 10% of provincial tax in excess of $5,200;
New Brunswick, 8% of provincial tax in excess of $13,500;
Nova Scotia, 10% of provincial tax in excess of $10,000;
Quebec, 0.3% on all Quebec tax;
Ontario, 20% of provincial tax in excess of $3,655 and
36% of provincial tax in excess of $4,562;
Saskatchewan, 10% of tax in between $1 and $4,000 and 15% of tax in excess of $4,000;
British Columbia, 30% of tax between $5,300 and $8,660 and
15% on tax in excess of $8,660; and
Yukon levies a surcharge of 5% of territorial tax in excess of $6,000.

C) The rate is 16.25% on non-active business income.

D) The Ontario small business rate will be reduced by 0.5% each January until 2005 (from 8.5% in 1999). On January 1, 2006 the rate will decrease to 4.75%.

E) Provincial share of Harmonized Sales Tax (HST).

F) Since new tax tables will not be issued until July/2000, the 1% reduction for the year is equivalent to 2% effective July 1, 2000. The 49% will be further reduced to 46% effective January 1, 2001 and to 44% effective January 1, 2002.

N.B. Rate changes may have occurred since the time of the survey (January, 2000). To determine current rates, reference should be made to each jurisdiction's Department of Finance.

TOTAL EXPENDITURES BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	%	$	%	$	%
Yukon Legislative Assembly	**3,107**	**0.6**	3,162	0.6	2,940	0.6
Executive Council Office	**15,264**	**3.0**	15,700	3.1	12,393	2.6
Community and Transportation Services	**110,524**	**22.0**	110,598	21.6	101,451	21.4
Economic Development	**13,628**	**2.7**	18,029	3.5	15,234	3.2
Education	**98,034**	**19.5**	100,001	19.5	94,450	19.9
Finance	**3,914**	**0.8**	4,308	0.8	4,085	0.9
Government Services	**28,589**	**5.7**	34,994	6.8	26,415	5.6
Health and Social Services	**125,379**	**25.0**	120,794	23.6	112,164	23.7
Justice	**32,905**	**6.5**	33,027	6.5	31,674	6.7
Public Service Commission	**9,928**	**2.0**	10,080	2.0	9,165	1.9
Renewable Resources	**16,131**	**3.2**	16,656	3.3	15,890	3.4
Tourism	**14,471**	**2.9**	15,930	3.1	11,459	2.4
Women's Directorate	**477**	**0.1**	432	0.1	415	0.1
Yukon Development Corporation	**one dollar**	**--**	one dollar	0.0	16,000	3.4
Yukon Housing Corporation	**29,173**	**5.8**	27,797	5.4	19,627	4.1
Yukon Liquor Corporation	**one dollar**	**--**	one dollar	--	0	0.0
Office of the Ombudsman	**247**	**0.0**	252	0.0	223	0.0
Elections Office	**610**	**0.1**	222	0.0	155	0.0
Total Expenditures	**502,381**	**100.0**	511,982	100.0	473,740	100.0

TOTAL EXPENDITURES BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	%	$	%	$	%
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Office of the Ombudsman	247	0.0	252	0.0	223	0.0
Elections Office	610	0.1	222	0.0	155	0.0
Total Expenditures	502,381	100.0	511,982	100.0	473,740	100.0

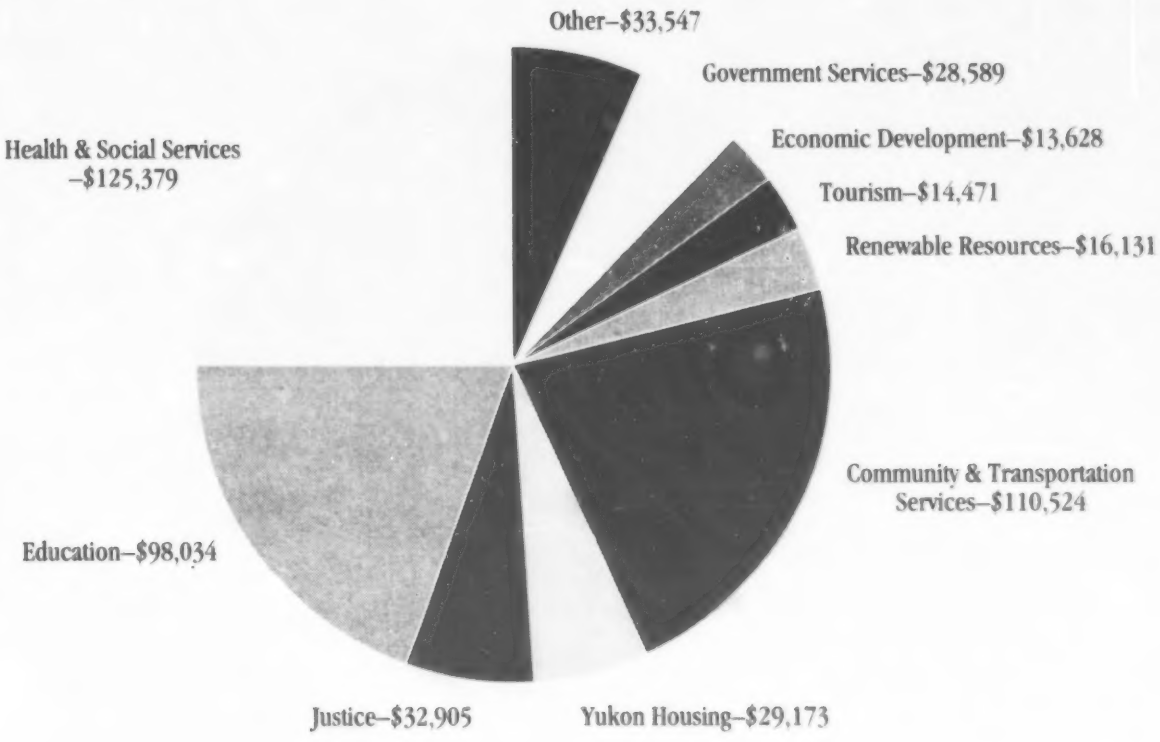
Government of Yukon

O&M and Capital Expenditures

by Department

2000–01 Budget

$ Thousands



Note: "Other" includes Yukon Legislative Assembly, Executive Council Office, Finance, Public Service Commission, Women's Directorate, Office of the Ombudsman and the Elections Office.

M121

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OPERATION AND MAINTENANCE
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	%	$	%	$	%
Yukon Legislative Assembly	3,087	0.8	3,152	0.8	2,935	0.8
Executive Council Office	14,876	3.8	15,332	3.9	12,180	3.3
Community and Transportation Services	64,105	16.3	64,434	16.5	62,924	16.8
Economic Development	6,231	1.6	6,077	1.6	6,491	1.7
Education	84,281	21.5	83,726	21.4	81,154	21.7
Finance	3,879	1.0	4,290	1.1	4,067	1.1
Government Services	21,408	5.5	20,901	5.3	19,974	5.3
Health and Social Services	115,184	29.3	113,752	29.1	108,809	29.1
Justice	31,672	8.1	32,206	8.2	31,049	8.3
Public Service Commission	9,910	2.5	10,060	2.6	9,118	2.4
Renewable Resources	14,331	3.6	14,365	3.7	14,080	3.8
Tourism	9,962	2.5	9,717	2.5	8,760	2.3
Women's Directorate	477	0.1	427	0.1	411	0.1
Yukon Development Corporation	one dollar	--	one dollar	--	0	--
Yukon Housing Corporation	12,544	3.2	12,514	3.2	11,122	3.0
Yukon Liquor Corporation	one dollar	--	one dollar	--	0	--
Office of the Ombudsman	247	0.1	247	0.1	218	0.1
Elections Office	607	0.2	222	0.1	155	0.0
Total Expenditures	392,801	100.0	391,422	100.0	373,447	100.0

CAPITAL
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	%	$	%	$	%
Yukon Legislative Assembly	20	0.0	10	0.0	5	0.0
Executive Council Office	388	0.4	368	0.3	213	0.2
Community and Transportation Services	46,419	42.4	46,164	38.3	38,527	38.4
Economic Development	7,397	6.8	11,952	9.9	8,743	8.7
Education	13,753	12.6	16,275	13.5	13,296	13.3
Finance	35	0.0	18	0.0	18	0.0
Government Services	7,181	6.6	14,093	11.7	6,441	6.4
Health and Social Services	10,195	9.3	7,042	5.8	3,355	3.3
Justice	1,233	1.1	821	0.7	625	0.6
Public Service Commission	18	0.0	20	0.0	47	0.0
Renewable Resources	1,800	1.6	2,291	1.9	1,810	1.8
Tourism	4,509	4.1	6,213	5.2	2,699	2.7
Women's Directorate	0	0.0	5	0.0	4	0.0
Yukon Development Corporation	0	0.0	0	0.0	16,000	16.0
Yukon Housing Corporation	16,629	15.2	15,283	12.7	8,505	8.5
Office of the Ombudsman	0	0.0	5	0.0	5	0.0
Elections Office	3	0.0	0	0.0	0	0.0
Total Expenditures	109,580	100.0	120,560	100.0	100,293	100.0

OPERATION AND MAINTENANCE
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	**%**	**$**	**%**	**$**	**%**
Yukon Legislative Assembly	**3,087**	**0.8**	3,152	0.8	2,935	0.8
Executive Council Office	**14,876**	**3.8**	15,332	3.9	12,180	3.3
Community and Transportation Services	**64,105**	**16.3**	64,434	16.5	62,924	16.8
Economic Development	**6,231**	**1.6**	6,077	1.6	6,491	1.7
Education	**84,281**	**21.5**	83,726	21.4	81,154	21.7
Finance	**3,879**	**1.0**	4,290	1.1	4,067	1.1
Government Services	**21,408**	**5.5**	20,901	5.3	19,974	5.3
Health and Social Services	**115,184**	**29.3**	113,752	29.1	108,809	29.1
Justice	**31,672**	**8.1**	32,206	8.2	31,049	8.3
Public Service Commission	**9,910**	**2.5**	10,060	2.6	9,118	2.4
Renewable Resources	**14,331**	**3.6**	14,365	3.7	14,080	3.8
Tourism	**9,962**	**2.5**	9,717	2.5	8,760	2.3
Women's Directorate	**477**	**0.1**	427	0.1	411	0.1
Yukon Development Corporation	**one dollar**	**--**	one dollar	--	0	--
Yukon Housing Corporation	**12,544**	**3.2**	12,514	3.2	11,122	3.0
Yukon Liquor Corporation	**one dollar**	**--**	one dollar	--	0	--
Office of the Ombudsman	**247**	**0.1**	247	0.1	218	0.1
Elections Office	**607**	**0.2**	222	0.1	155	0.0
Total Expenditures	**392,801**	**100.0**	391,422	100.0	373,447	100.0

CAPITAL
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000'S)

DEPARTMENT/CORPORATION	2000-01 ESTIMATE		1999-00 FORECAST		1998-99 ACTUAL	
	$	**%**	$	%	$	%
Yukon Legislative Assembly	**20**	**0.0**	10	0.0	5	0.0
Executive Council Office	**388**	**0.4**	368	0.3	213	0.2
Community and Transportation Services	**46,419**	**42.4**	46,164	38.3	38,527	38.4
Economic Development	**7,397**	**6.8**	11,952	9.9	8,743	8.7
Education	**13,753**	**12.6**	16,275	13.5	13,296	13.3
Finance	**35**	**0.0**	18	0.0	18	0.0
Government Services	**7,181**	**6.6**	14,093	11.7	6,441	6.4
Health and Social Services	**10,195**	**9.3**	7,042	5.8	3,355	3.3
Justice	**1,233**	**1.1**	821	0.7	625	0.6
Public Service Commission	**18**	**0.0**	20	0.0	47	0.0
Renewable Resources	**1,800**	**1.6**	2,291	1.9	1,810	1.8
Tourism	**4,509**	**4.1**	6,213	5.2	2,699	2.7
Women's Directorate	**0**	**0.0**	5	0.0	4	0.0
Yukon Development Corporation	**0**	**0.0**	0	0.0	16,000	16.0
Yukon Housing Corporation	**16,629**	**15.2**	15,283	12.7	8,505	8.5
Office of the Ombudsman	**0**	**0.0**	5	0.0	5	0.0
Elections Office	**3**	**0.0**	0	0.0	0	0.0
Total Expenditures	**109,580**	**100.0**	120,560	100.0	100,293	100.0

MAIN ESTIMATES

HISTORICAL COMPARISON

($000'S)

	O & M	CAPITAL	TOTAL
2000-01	**392,801**	**109,580**	**502,381**
1999-00	384,217	94,314	478,531
1998-99	370,360	70,598	440,958
1997-98	363,363	88,583	451,946
1996-97	346,821	124,925	471,746
1995-96	343,735	145,112	488,847
1994-95	346,210	121,724	467,934
1993-94	352,485	128,298	480,783
1992-93	314,752	102,723	417,475
1991-92	262,626	93,061	355,687
1990-91	248,546	93,935	342,481
1989-90	225,658	103,724	329,382
1988-89	201,806	100,474	302,280
1987-88	176,749	114,302	291,051
1986-87	171,065	80,935	252,000
1985-86	160,141	48,207	208,348

Note: These figures reflect the voted expenditures as per the estimates for the relevant year and have not been restated for purposes of comparison.

MAIN ESTIMATES

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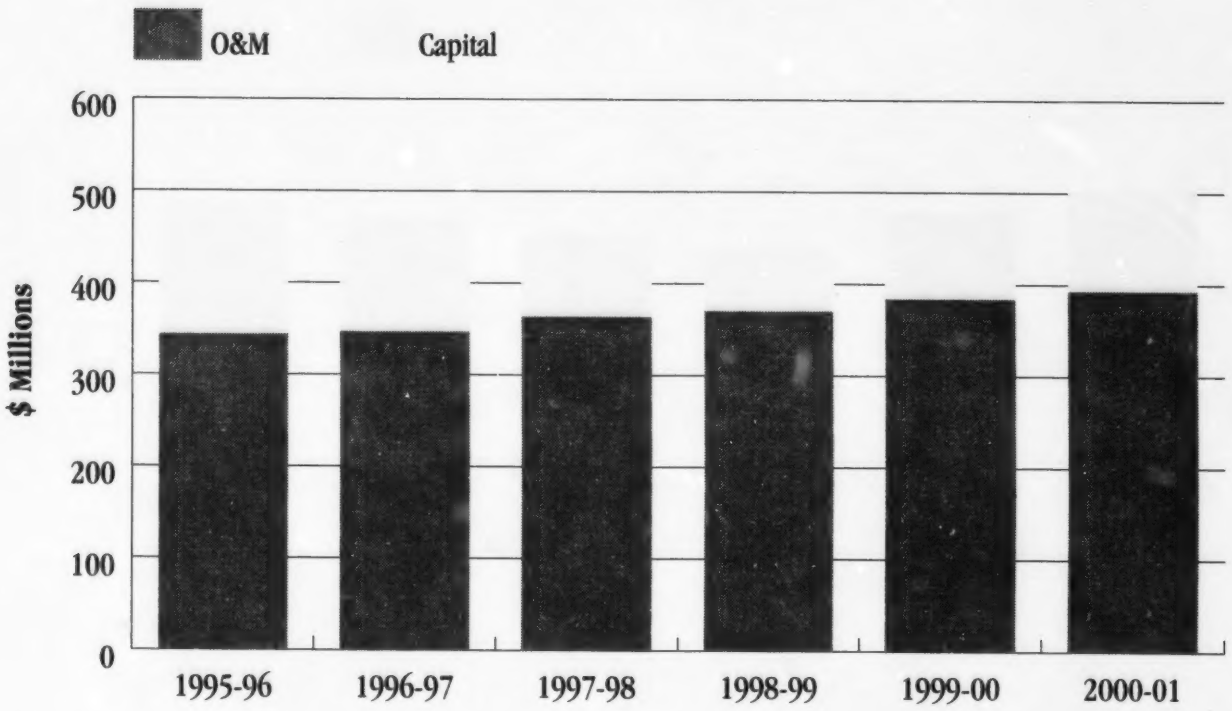
Government of Yukon

O&M and Capital Expenditures

1995–96 to 2000–01



Note: These figures reflect the voted expenditures as per the Main Estimates for the relevant year and have not been restated for purposes of comparison.